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ASIAN COUNTRIES HAVE 'UNMATCHED' FAMILY PLANNING PROGRAMS

Kuala Lumpur BUSINESS TIMES in English 27 Feb 81 p 15

[Article by Nestor Cervantes in Singapore]

[Text]

EIGHT East Asian countries, including ASEAN, have been singled out for their "unmatched" family planning programmes.

In its periodic review of the region's programmes, the New York-based Population Council said: "These nations established a standard and pace for fertility reduction that was unmatched by any other geographic area in the non-socialist developing world."

Aside from ASEAN, the other countries cited by the council were Korea, Taiwan and Hong Kong.

China, too, with its vigorous and aggressive family planning campaign could have easily made the list, said the council. But it explained that lack of data prevented the council from making a more detailed presentation of China's programme.

In the council's reckoning, there are two reasons why the eight countries stand out in their population programmes. The first is a strong national commitment; the second is the extensive use of community or village-based programmes.

The strong commitment is manifested in the availability of financial resources and a highly organised adminis-

trative structure. This is true for all the eight East Asian countries cited.

"No East Asian nation has created a strong family planning programme or provided comprehensive contraceptive services without strong national leadership," said the council.

Take these examples on finances: in Indonesia, support for the family planning programme rose from US\$94 million in 1976-77 to US\$45 million in 1979-80. Programme support in the Philippines increased from US\$21.7 million in 1976 to US\$34.1 million in 1979.

In Taiwan, the family planning budget jumped to US\$4.77 million in 1980, or a 18 per cent increase over 1979 and 80 per cent over 1978. Korea also rapidly increased its programme budget from US\$9.4 million in 1976 to US\$28.9 million in 1979.

Coupled with a strong national commitment is the extensive use of a community-based approach in family planning. This incorporates within the health system family planning along with related village development activities.

One strong point is the increasing reliance upon

health assistants and, in some cases, laymen for contraceptive distribution.

This approach has done wonders for the eight countries' programmes, according to the council. There have been marked increases in the number of contraceptive users.

But their choice varies, depending on such factors as religion or culture. Generally, however, it is still "pill country" in Singapore, Hong Kong, Malaysia, Thailand and Indonesia.

The Philippines, according to the council, has shown substantial increases in contraceptive use since 1977. However, the choice has been limited to less effective methods like (rhythm or withdrawal).

And this is where religion plays a significant role in the implementation of a family planning programme. "Although religion is not the key determinant of success or failure in the East Asian programmes, its effect is not insignificant," said the council.

In the Philippines, for instance, the Catholic Church, while supporting the concept of a small family size, has not endorsed modern con-

traceptives. It has also been sharply critical of the trend toward sterilisation.

At the same time, Islamic and Catholic forces have contributed extensively to rendering abortion illegal under any circumstance in Indonesia, Malaysia and the Philippines, the council noted.

But it's a different story altogether in Thailand. Buddhism has presented no constraints to sterilisation or other contraceptive measures. In fact, the country's somewhat vague abortion law is currently under review.

According to the council, the sustained progress in East Asia merits continued study by other national programmes and the world at large.

This is not to say, however, that the East Asian experience should be wholly adopted by nations grappling with a rapid population growth rate. The point here is that East Asia's "success stories" have adopted strong policy commitments to defuse the "population bomb" — commitments which are still sadly lacking in much of the developing world. — Dephnews

HASINA SHEIKH'S ELECTION AS AWAMI LEAGUE CHIEF EXAMINED

Islamabad THE MUSLIM in English 19 Mar 81 p 4

[Article by Ataus Samad]

[Text] Dacca: When Awami League managers chose Hasina Sheikh--the elder of the only two surviving children of the late Sheikh Mujibur Rahman--to head the party their hope probably was that the decision would serve two purposes. One, it will avert the impending rift among squabbling Awami League leaders and two, galvanise the party by a surge of emotion.

Now, the first objective seems temporarily achieved and the second, not really gained. On the other hand, the fact of Hasina Sheikh's stay in the Indian capital in asylum is embarrassing the party in more ways than one.

Beseeched by journalists Hasina Sheikh, 32, has been granting interviews, albeit, some, reluctantly. In one of these with the newspaper INDIAN EXPRESS (lifted by the news agency UNI) she was quoted as saying, "India helped my country in 1971 and I hope that should need arise it would help us again," in reply to a question whether she expected the Indian government to "support you in your battle against the Ziaur Rahman government."

Clarification

In a subsequent interview with THE BANGLADESH NEWS AGENCY (BSS) Hasina Sheikh maintained what she really meant was that India had been friendly to Bangladesh in 1971 and now the two countries should have friendly relations. Despite the clarification many people continue to suspect she is and will be deeply influenced by India, at least psychologically.

The second uncomfortable point, is neither she nor the party leaders are able to give a firm date of her return. Questions are being asked, "Why so? Will she need a clearance from India--since she is stated to be in asylum there--to come back home? Or, will there have to be an understanding between the governments of India and Bangladesh about her return?" Plausible explanation such as that she has to tie up loose ends about her family--her husband Dr Wajed, a nuclear scientist, is working on a research project with the Indian Atomic Energy Commission and is writing a book on physics--and that she wants to bring along her younger sister Rehana, now resident in London, are receding to the background.

Third, eight top Awami League leaders flew to New Delhi in a delegation to apprise Hasina Sheikh of the party's council decision giving her the top post instead of sending an emissary for the purposes. This has helped doubts persist that they were still not trusting each other and so they were not leaving each other alone. There are reports now that the Awami League leaders rejected an advise not to go to New Delhi in the manner they did. Also, inevitably, they have been asked, did they want to confabulate with some other prominent Awami Leaguers including guerilla leader Qader Siddiki, now in exile in India, and also the Indian government leaders? Awami League leaders, however, deny having met any other person than Hasina Sheikh in New Delhi. Be that as it may, for the Awami League members, the first question is a more important issue.

So it is that they are still unsure whether the party will be able to work unitedly even under Sheikh Mujibur Rahman's daughter, supposedly a unanimous choice.

As of now, the tussle between Abdur Razzak, General Secretary of Awami League and Tofael Ahmed, Organising Secretary, for control of the party machine is alive. The newly-created presidium and the secretariat as well as the nominated working committee are evenly shared by the supporters of the two sides. Hasina Sheikh, of course, is the nominee of the Tofael group the main manoeuvre during the organisational fight at the party's delayed council meeting was former foreign minister, Dr Kamal Hossain.

Mixed Bag

The upshot of the decision at the council meeting has been a mixed bag. Mr Razzak who was being considered as an ally of pre-Moscow left elements, including former party vice-president, Mr Mohiuddin and former fire-eating student leader Mr. Motia Chowdhury, pushed through amendments to the party constitution creating the Communist Party type presidium and secretariat. [as published] But he failed to carry out another amendment which would have enabled new entrants to bid for party offices. This left Mrs Motia Chowdhury and some of her left friends, who joined the Awami League from the NAP, out of the competition. Mr Razzak also had to be content with only half of the party positions. The Tofael group secured the other half of the party machinery but also had to swallow a political resolution which pledged the Awami League to work with the philosophy of the single party that Sheikh Mujibur Rahman had created for Bangladesh in 1975 dissolving all others by a state fiat. Secondly, the war cry of the Tofael group was that Awami League should remain with the original Awami Leaguers and not pass on to the hands of leftists. In so doing they ensured that old guards of the party secured positions in the vital committees. These old leaders together may now outweigh both Tofael Ahmed and Abdur Razzak.

This may be a boon for Hasina Sheikh bringing her support and advice of her father's lieutenants. Thus, if she is astute she can outplay the competing younger leaders of the party. But the problem is, most of her father's friends are extremely jealous of each other.

Altogether Awami League members are not feeling quite galvanised. Nor are people yet quite open-armed about the leadership of Hasina Sheikh, her father's charisma notwithstanding.

The government party, however, seems to be rather nervous about Hasina Sheikh's election as Awami League chief. Its leaders have indeed taken the expected line of attack that Awami League leadership is so bankrupt as to borrow the late Sheikh Mujibur Rahman's daughter from abroad. What is more, the government-controlled section of the Bangladesh Press leaves no stone unturned to imply that Awami League has tied itself to India's apron-strings.

For example, when Awami League leaders decided to visit New Delhi to meet Hasina Sheikh THE BANGLADESH TIMES started its report with the sentence, "All Awami League roads now lead to New Delhi, the abode for five years of their new party chief Hasina Sheikh." Not to be outdone THE BANGLADESH OBSERVER headlined the report of the Awami League leaders' departure for the Indian capital next day, "Al (Malek) Presidium moves to Delhi." The fact was out of the eight-member Awami League delegation only four were members of the party's presidium. The presidium itself has eleven members.

CSO: 4220

ECONOMIC IMPROVEMENT, CHANGE IN POLITICAL ATMOSPHERE

Kuala Lumpur BUSINESS TIMES in English 12 Feb 81 p 6

[Article by Denis D. Gray]

[Excerpts]

PRESIDENT U Nu Win, one of the world's most durable autocrats, appears to be mellowing as he approaches a third decade in power with an improving economy and a political base more solid than ever, according to some foreign diplomats and Burmese observers.

Although Burma remains a military-dominated, one-party state, these analysts note a change in the political atmosphere which includes a decline in the peremptory sackings and periodic arrests of government officials and a lessened sensitivity to both foreign and internal criticism of the establishment.

Once an economic quagmire, the country has managed "a rather dramatic improvement," according to the latest report of the World Bank. A record rice harvest is certain for the 1980-81 season which will put Burma in fourth place among the world's rice exporters. Foreign donors are expected to provide even more this year than the US\$600 million they allocated for Burma's development in 1980.

Some of the relaxation on the once rigidly authoritarian political

scene appears to have come from conciliatory moves Nu Win began last year and which included an amnesty for the various rebel groups that had been fighting the central government for decades. More than 3,000 of the rebels came in, including one-time Prime Minister U Nu, who Nu Win had ousted in a 1960 military coup.

Even Burmese critics of the government speculate that, at least for the time being, Burma's jails have been largely emptied of political prisoners, most of them students. Information on these prisoners has been fragmentary, with estimates ranging from 5,000 to 20,000 in recent years.

"I think Nu Win feels very secure. His only insecurity may be intimations of his own mortality," says one western diplomat, echoing the widespread opinion here. There is also general agreement that as long as Nu Win lives liberalisation will be held within strict boundaries.

There have been no moves toward diluting the power of the sole political party, the Burma Socialist Programme Party, nor any loosening of the military's grip

over the government. The government's control over the media remains total.

One reason why foreign governments and institutions are becoming more bullish on Burma is the country's gradual emergence from more than a decade at the economic depths despite one of the richest natural resource bases in Asia.

Today, Burma finds itself with low inflation, a food surplus, self-sufficiency in food fuel, and an annual economic growth rate of about six per cent.

Some of the progress followed reforms urged by the World Bank, the Asian Development Bank and other foreign donors who were critical of Burma's low-incentive system, which combined economic centralism with Buddhist doctrine and a go-it-alone attitude toward the outside world.

Hillsides of rice can be seen at purchase points around the Burmese capital, and farmers say they are satisfied with a harvest that is expected to total 12 to 13 million metric tons.

The sharp increase in rice production has resulted from the government's higher purchase

prices to farmers, and a successful programme to plant Burmese strains of high-yield varieties which are officially said to blanket fields in 73 of the country's 315 townships.

External loans and grants have helped, but one senior European diplomat says assistance has been based on confidence in Burma's future and not a handout mentality as in the case of Bangladesh or Kampuchea.

Japan, France, the World Bank and the ADB are the biggest donors.

The external assistance has, however, spawned a burdensome debt service ratio estimated by the World Bank at 25 per cent and by a number of diplomats at between 20 and 40 per cent. This means that Burma will have to pay between US\$120 million to US\$200 million this year to meet its debt obligations.

Some diplomats speculate that this may force the Burmese to allow some form of foreign private enterprise in the country or the setting up of joint ventures, something Nu Win has adamantly resisted. — AP

REPORT ON VAJPAYEE'S 14 MARCH SPEECH AT NEHRU MAIDAN

Bombay THE TIMES OF INDIA in English 15 Mar 81 p 6

[Text] Mangalore, March 14. India was passing through a multi-dimensional crisis with a government in seat but no administration nor any laws functioning, Mr A.B. Vajpayee, president of the Bharatiya Janata Party, said here yesterday.

Though the Congress(I) promised "a government that works," the prices of all essential articles were skyrocketing, scarcity and unemployment were rampant, the disparity between the rich and the poor was growing and the economy was in a shambles, Mr Vajpayee told a mammoth gathering at Nehru Maidan.

He called upon the government to ensure a better deal for farmers and not shed crocodile tears. There was need for revamping the agricultural prices commission with adequate representation to farmers and farming interests and also the consumer.

It was unfortunate that at such a juncture Mrs Gandhi should have organised a kisan rally at the extravagant expense, from where the farmers returned to their hearth disillusioned as they had expected the Prime Minister to announce some relief.

The chief minister of Karnataka, Mr Gundu Rao, had announced reliefs to farmers to the tune of Rs 85 crores without consulting his cabinet nor studying the financial implications of the move, which had now resulted in not fulfilling any one of the promises. Mr Vajpayee said, adding that farmers were naturally on the warpath everywhere because they were still to get a good price for their produce.

"Progress Not for Masses"

Highlighting the nation's potential and advances, Mr Vajpayee said India now ranked 14th in the world in regard to employment opportunities, tenth in resources and natural wealth and third in advancement in science and technology, but, unfortunately, over 50 per cent of our population still lived below the poverty line.

Undoubtedly, there had been progress on all fronts but the result of that progress had not yet reached the common masses. It went only to a small percentage of vested interests and politicians, the BJP leader said.

There was need for demarcating the areas and spheres of economic activity and all efforts of industrialisation should be directed towards greater encouragement for small and cottage industries and more labour-intensive than capital-intensive programmes.

Mr Vajpayee chided the Union finance minister, Mr Venkataraman, for claiming a decline in the prices and at the same time announcing another instalment of DA hike for the Central government employees. The state of the economy was such that commodities were available in plenty but the people had no money to buy them, he said and characterised the Central budget as "political" and one that created an optical illusion among the masses.

In foreign affairs, he said the government had alienated the country from its neighbours by clinging on to Soviet support only.

The vice-president of the BJP, Mr K.S. Hegde, who presided, said, the Congress (I) government had totally failed in fulfilling its election promises and was engaged in finding scapegoats for its failures.

CSO: 4220

ASSEMBLY MEMBER FROM LEH DISPUTES SHEIKH'S CLAIMS

Bombay THE TIMES OF INDIA in English 15 Mar 81 p 7

[Text] Jammu, March 14: Mr Skalzang Angdoo, MLA from Leh, yesterday took issue with the state chief minister, Sheikh Abdullah, over the demands of the Ladakh all-party action committee and warned of the dangerous consequences of "putting things" in the mouth of its leaders.

In a chat with newsmen here, Mr Angdoo clarified that the action committee, which had the support of the entire population of the region, had never made any demand outside the ambit of the state constitution.

He denied that the action committee had demanded that Ladakh should be made a Union territory. It had only demanded autonomy within the framework of the constitution.

He said the action committee had communicated its demands to the three-member cabinet sub-committee during talks held at Leh in January. An agreement had been arrived at on a major demand relating to the declaration of Ladakh as a scheduled tribe area. The state government had accepted this demand in toto and made an official announcement to that effect, and the chief minister had agreed to recommend their case for declaration as a scheduled tribe to the centre.

Meanwhile, a rift has developed in the ranks of the state Congress(I) over the demand for regional autonomy for Ladakh. This was evident during the debate in the assembly when Mr Mangat Ram, who is also the general secretary of the state unit of the Congress(I), declared that the party was opposed to the demand for regional autonomy.

This view has also been expressed by the president of the state unit of the party. However, Mr P. Namgyal, Congress (I) M.P. from Ladakh, has been vigorously pursuing the demand for regional autonomy.

CSO: 4220

BIOGRAPHIC SKETCH OF ECONOMIC REFORMS PANEL HEAD

Bombay THE TIMES OF INDIA in English 15 Mar 81 Supplement p 1

[Article by Quark: "Economist Extraordinary"]

[Text] Says Kissinger of L.K. Jha: "I was supposed to be skilful in dealing with the press. On the India-Pakistan issue Jha clearly outclassed me." (as published)

Members of the ICS seldom become superannuated because, being reputedly /sabjantawalas/ [in boldface], they know the art of aging gracefully and usefully. That a generation after we became a free nation we still need them and rely on them, in spite of their colonial associations, is proof that the British legacy is neither altogether contemptible nor all obsolete. Lakshmi Kant Jha, a representative of this vanishing species, is 67. He is a Maithil Brahmin who is as knowledgeable and estimable as the gurus of King Janaka who ruled the land now called Bihar when it was more enlightened. He himself has today the standing of a high priest as economist extraordinary, if we may so describe him in his new capacity of Chairman of the Economic Administration Reforms Commission.

Mr Jha's career has spanned 45 years, but he is not the man to look back and he still seems to be pushing forward. In a sense his new job is to push forward--suggest ways of accelerating the pace of the economy that has reached the point of near stagnation. The creation of the EARC has drawn adverse comment owing to the fear that the new body will override the Planning Commission and the ministries of Finance, Commerce and Industry.

Mr Jha has set such fears at rest for the EARC is not a superministry and it will function mainly as an advisory body suggesting how best to achieve the targets laid down by the Planning Commission and how to simplify tax procedures. He is aware that the reports of previous committees on taxation and other matters are gathering dust in the secretariat and he wants to know why. An autopsy on dead reports will be helpful only if the doctor who is performing it has the courage to expose the conditions responsible in the hospital in question for the high rate of mortality. But Mr Jha is a bureaucrat with a difference: he has a charming awareness of the shortcomings of his tribe.

Lakshmi Kant Jha was educated at the Banaras Hindu University, University College, London, and Trinity College, Cambridge. He joined the ICS in 1936

and after the usual period of apprenticeship in his home Province of Bihar he was drafted to the Government of India where he eventually earned a reputation for himself as an expert in the problems of the Indian economy. He served with distinction in the ministries of Commerce, Industry and Economic Affairs. In 1964 he was appointed Secretary to Prime Minister Lal Bahadur Shastri and two years later he was made Governor of the Reserve Bank of India.

Mr Jha is a man of remarkable tact and courage and these qualities became evident during his tenure as our Ambassador to the U.S. when relations between the two countries were particularly difficult. During the Bangladesh crisis he was reportedly on the point of being expelled from America for his comment on the mission of the India-bound American aircraft-carrier "Enterprise": his remarks were regarded as interference in America's foreign policy. That he refused to be browbeaten by the spokesmen of a formidable military power was a measure of his courage as well as of his stature as a diplomat. In the course of his account of the India-Pakistan crisis, Henry Kissinger, who always thinks very highly of himself, concedes L.K. Jha's superiority on one count. He says: "I was supposed to be skilful in dealing with the press. On the India-Pakistan issue Jha clearly outclassed me." The self-opinionated Professor also describes Mr Jha as a "superb analyst of the American scene."

Fortunately, Mr Jha is also a superb analyst of the Indian scene with an insight into the problems of our economy that should be the envy of professional economists. It is unlikely that the EARC will represent a concentration of authority. Mr Jha himself is a critic of centralisation. He believes that "you must have a million different decision-making levels if things are to move ahead." This does not mean he is for some kind of free-for-all. Addressing a group of managerial experts in Madras 12 years ago, he called for a "blueprint, by which I mean a detailed breakdown of the various stages through which a plan is going to be implemented." Inherent in this suggestion is the idea that it is necessary to plan a plan, i.e. we must draw up a plan to implement a plan. Mr Jha realises that it is precisely the absence of a machinery to plan the implementation of plans that has proved disastrous.

Unlike during the early years of independence we do not have today a sufficiently large number of politicians of proven ability and stature. It is in this context that the quality of the permanent secretariat assumes importance. During these critical times there is a special need for a brains-trust to advise the Prime Minister and her colleagues. The formation of the EARC under Lakshmi Kant Jha, who is civil servant, diplomat and statesman (he was Governor of Jammu and Kashmir), may be the first step in the creation of such a brains-trust.

CSO: 4220

REDDY ADDRESSES GOVERNORS' CONFERENCE IN DELHI

New Delhi PATRIOT in English 15 Mar 81 pp 1,5

[Text] President N. Sanjiva Reddy on Saturday called upon all political parties to "come together in a spirit of conciliation and cooperation" in waging a war on poverty and to help give a better deal to the have-nots, irrespective of caste or community.

"The gulf between man and man has increased," the President said while opening a two-day conference of Governors in the Capital. "This is a national problem which demands national attention," Mr Reddy added appealing for a unity of purpose and determination similar to the one achieved during the freedom struggle.

This is the first conference of Governors held since Mrs Indira Gandhi returned to power in January last year. Seven new Governors attended for the first time. They were Dr A.R. Kidwai, Mr C.P.N. Singh, Air Chief Marshal O.P. Mehra, Mr H.J.H. Taleyarkhan, Mr B.K. Nehru, Mr Ram Kishore Vyas and Delhi's Lt Governor Jagmohan.

In his opening speech, the President expressed his deep anguish at the concentration of wealth in a few hands and its unequal distribution, the rising unemployment and allied problems that, he said, 'are not the creation of any one set of people' but had arisen over the years for various reasons.

It was high time, he said, that these problems were dealt with firmly and speedily. The wide disparities in incomes had to be curtailed and a war waged on poverty. To achieve national growth with social justice, all political parties had to come together.

Mr Reddy referred to a survey in 1975-76 according to which, the top five per cent of the households in the country enjoyed 22.6 per cent of income which the bottom five per cent shared less than one per cent of income. He also said that the number of business houses with assets of more than Rs 20 crores or more increased from 42 in 1964 to 101 in 1976.

The President voiced concern over the fact that 50 per cent of the population lived below the poverty line. Half of them lived in rural areas where the proportion of the agricultural landless had gone up from 20 per cent in 1951 to 26 per cent in 1971.

The President noted the significant role played by farmers in achieving food self-sufficiency and the indisputable success of the green revolution.

He, however, pointed out that despite all-round development and availability of foodgrains in plenty, the low purchasing capacity of a large section of the people left them undernourished. "This is true of the poor--both in rural and urban areas--whether it be the farm labourer or town-slum dweller."

In the context of this depressing economic scene, the President appealed "to those having four-figure incomes" to voluntarily refrain, for some time, from resorting to strikes and agitations. No doubt, inflationary pressures had affected this category of people also, but they should exercise restraints considering the pitiable plight of the large percentage of people.

The President said that true to the country's Gandhian tradition, they should ensure preservation of the right moral values and standards which were as essential as social and economic progress.

Mr Reddy recalled that since they last met in March 1979, the country witnessed unprecedented political activity which culminated in seeking a fresh mandate from the electorate. The verdict of the people once again proved their abiding faith in the democratic way of life and in bringing about an orderly change through the ballot box.

"The massive mandate given by the people of our country to the party led by Mrs Indira Gandhi indicates the confidence of the people in her ability to guide the nation to achieve greater prosperity, well-being and strength," he said while wishing her all success.

The President had a word of praise for the Governors for functioning with dignity, maturity and wisdom and playing their role as constitutional heads effectively while remaining above controversy during the change of governments at the Centre and in States.

"In fairly difficult and complex situations in some States, the Governors acted with foresight and in a pragmatic manner and thereby assisted the State authorities in overcoming such situations," he said.

Under the Indian Constitution, the Governors were not mere ornamental functionaries but had been assigned a positive role to play in the service of the people. They were also a vital link between the Centre and constituent States in the federal set-up. He was confident that the Governors would continue to "inspire faith in those who govern also in those who are governed."

Mr Reddy was glad that the Governors "have not been often travelling outside their jurisdictions" and had been making efforts to resolve various problems facing the people.

The President also underlined the need to build up right moral values and standards while making social and economic progress. He quoted Gandhiji as stating

in 1925 that Indian society was afflicted by seven sins namely "politics without principles, wealth without work, pleasure without conscience, knowledge without character, commerce without morality, science without humanity and worship without sacrifice." Mr Reddy added "our actions should be such that future historians would give us credit for having served this great nation to the best of our ability."

CSO: 4220

EXTERNAL AFFAIRS MINISTER INTERVIEWED IN VIENNA

New Delhi PATRIOT in English 15 Mar 81 p 5

[Text] Vienna, March 14 (PTI)--A successful outcome of the North-South summit in Mexico later this year will set the pace for solving the important global problems, including detente, External Affairs Minister Q.V. Narasimha Rao has said.

Given the present 'unhelpful' international situation, even a limited success of the negotiations between the industrialised North and poor South will help strengthening detente and easing East-West relations, he told PTI in an interview.

Mr Rao, who was here to attend a two-day preparatory meeting of 11 countries said East-west relations were at some point intimately linked with the North-South issue, and the Mexican conference is likely to have a repercussion on developments. In the Middle East, Indian Ocean and Central America. [as published]

In Vienna meeting, Mr Rao observed, was a 'precursor' to the global consultations on measures to end economic disparities between the rich and the poor.

In an atmosphere of escalating tension and fluctuating East-West relations, peaceful coexistence remains the only way out and an impetus to this can come only from fruitful North-South talks, he added.

Talking about the non-aligned countries efforts to end the six-month-old Gulf war, Mr Rao said the four-nation goodwill committee will try to find ideas by shuttling between Teheran and Baghdad possibly in the first week of April.

CSO: 4220

DANGE ADDRESSES ALL-INDIA COMMUNIST PARTY CONGRESS

Calcutta THE SUNDAY STATESMAN in English 15 Mar 81 p 1

[Text] New Delhi, March 14--The former chairman of the Communist Party of India created a piquant situation for his Central leadership, by addressing the concluding session of the three-day congress of the breakaway CPI faction called the All-India Communist Party led by his daughter, Mrs Roza Deshpande, in Meerut today.

Mr Dange, the veteran leader and a founder-member of the CPI, who has been openly defying the party and its stand of opposing Mrs Gandhi and her Congress(1), continues to be a member of the party's national council.

He addressed the AICP, which supports Mrs Gandhi. The formation of the break-away AICP followed Mr Dange's differences over the decision of the CPI leadership to oppose Mrs Gandhi at the party congress held in Bhatinda in April, 1978. Mr Dange has been openly waging his battles against the official party line since then.

The Central leadership of the CPI would not have bothered about Mr Dange's participation in the congress of the rival faction if he had ceased to be a member of the party or had been expelled from it, a CPI source said tonight.

The CPI General Secretary, Mr C. Rajeshwara Rao, reportedly held discussions with his colleagues on Mr Dange's presence at the congress in Meerut today. Mr Rao was said to be of the view that he would wait till he received a full report on Mr Dange's anti-party activity and his attendance at the AICP congress.

According to CPI sources, the Central leadership will be left with no alternative but to formally expel the Communist leader. One view is that Mr Dange is "deliberately" provoking Mr Rajeshwara Rao and other CPI Central leaders to take disciplinary action and expel him from the party. That is exactly what Mr Dange will want--to say in future that he was expelled from the party.

There are others who say that the Central leadership of the CPI will have to consult the Communist Party of the Soviet Union before any action is taken against Mr Dange. The rival AICP General Secretary, Mrs Roza Deshpande, has put the CPI leadership into an embarrassing situation by claiming that the CPSU supports her party. This has confused a section of the CPI's rank and file,

which concludes that the CPSU leadership in Moscow has deliberately proposed the rival AICP of Mr Dange and his daughter to "please" Mrs Gandhi.

Mrs Dange today described the formation of the All-India Communist Party as a "timely and historical necessity," adds UNI. [as published]

"We are neither Indiraite nor is Indira our main enemy," the CPI leader said, adding, "the Communist Party of which I am a member thinks Mrs Gandhi is the chief enemy of the Indian people and I consider this totally wrong."

Mr Dange alleged that the CPI(M)-led Left Front Government in West Bengal was in power solely because of the support of the jute barons. "This is an old allegation, I did not believe it earlier, but now I do," he said and asked why the State Government was not passing the Bill nationalizing the jute industry.

CSO: 4220

NATION REPORTEDLY DISMAYED OVER SOVIET PROPAGANDA

Madras THE HINDU in English 14 Mar 81 p 1

[Article by G.K. Reddy: "Soviet Campaign May Boomerang"]

[Text] New Delhi, March 13--The Soviet Union is not too happy with India's attempts to strike a balance between its continuing special relationship with Moscow and an equally beneficial accord with the West in the kind of cold war situation now prevailing in the Indian Ocean region.

But India is no less dismayed by the Soviet propaganda campaign to frighten it by conjuring visions of a bigger gang up against this country by China and the U.S. acting in close concert with Pakistan.

A series of scare stories have lately been emanating from Soviet sources about joint military exercises by China and Pakistan in occupied Kashmir, establishment of a naval base by China near Karachi, the construction of six air bases in Pakistan with Chinese assistance, and the preparation of a test site close to the Indian border for the first nuclear explosion by Pakistan.

All these reports have been found to be baseless on inquiry by the Indian agencies dealing with security problems.

The Government has been keeping a proper distinction between Pakistan's own bid to expand its armed forces and acquire new weapon systems, and the Soviet propaganda attempts to portray China as the principal instigator and collaborator which was actively egging on and feverishly assisting Pakistan to engage in a new arms race with India in the wake of the Afghan developments.

It is becoming increasingly clear that if Moscow continues to persist in this campaign of crying wolf too often, it might have exactly the opposite effect by eroding its own credibility in India's eyes.

The western propaganda against the Soviet Union is a lot more sophisticated, but it is no less insidious in attempting to scare the neighbouring countries that what happened to Afghanistan could also happen to them if they did not heed the warning in good time and cooperate with the U.S. and its allies in containing the threat of Soviet expansion.

India which is totally opposed to the mounting big power rivalries in the region is not impressed either by the Soviet propaganda of evil Chinese designs and American machinations or the intensification of U.S. pressure on the smaller nations to line up on its side to save the Third World from Soviet subjugation.

Middle Course

An effort is, therefore being made to steer a middle course between the two extremes and continue to resist the mounting pressures from both the super-power systems.

The country's diplomacy is now being increasingly directed at the preservation and strengthening of non-alignment. And this exercise will involve the pursuit of a policy of equidistance to some extent if the U.S. and the Soviet Union are bent on intensifying their psychological warfare to placate or frighten the south and South-West Asian Countries to enhance their respective political influence in the region.

CSO: 4220

FOREIGN COLLABORATION APPROVAL PROCEDURE STREAMLINED

New Delhi PATRIOT in English 15 Mar 81 p 1

[Text]

THE Government has delegated powers to administrative Ministries to accord approval for foreign collaboration proposals on a selective basis with a view to streamlining and expediting the procedure, says UNI.

An Industrial Ministry now outlines the type of cases and industries not on the illustrative banned list which will be eligible for such approvals.

The cases are defined on the basis that (A) there is no foreign equity participation in the proposal, (B) the applicant is not a company with existing foreign equity investment, (C) the item proposed to be manufactured is consistent with the priorities set out in the industrial policy statement.

The other conditions defined to get speedy approvals for collaboration cases are: (D) the proposal does not envisage extension of the period of collaboration approved earlier, (E) the royalty payable is not more than five per cent (negotiable) and will be completed within the period of agreement which may extend to 10 years. The period of going into commercial production is included within this period of 10 years. The total lumpsum and royalty payments should not be more than eight per cent of the local expected sales (calculated on

an ex-factory value basis) over a period not exceeding 10 years.

The above would be treated as upper ceilings and the rate of royalty, the amount of lumpsum and the period of agreement in respect of individual cases would be decided by the administrative ministries on a case to case basis, taking into account all relevant factors.

It is desirable that normally the period of agreement should be five to eight years and royalty for five years allowing three years for commencement of commercial production.

(F) Lumpsum payments, if any are paid in three standard instalments to be paid after the agreement is taken on record, the second instalment on delivery of technical documentation and the third on the commencement of commercial production or four years after the agreement is taken on record, whichever is earlier.

(G) The foreign exchange outgo in such case on lumpsum payments, if any, and royalty together does not exceed Rs 50 lakhs in the aggregate and (H) any proposal for foreign collaboration not in conformity with the above guidelines or for an industry on illustrative list would be brought before the foreign investment board.

LOK SABHA DISCUSSES INCIDENTS IN BOMBAY, BANGALORE

Madras THE HINDU in English 14 Mar 81 p 9

[Text] New Delhi, March 13.--Mr Yogendra Makwana, Minister of State for Home, vehemently denied in the Lok Sabha today that the Congress-I had any hand in the anti-Malayalee and anti-Tamilian posters that appeared in Bangalore.

He was replying to a calling-attention motion raised by Mr P.J. Kurien (Cong-U) and four others about these posters and the alleged attack on South Indian hotels in Bombay causing damage to property.

Mr Makwana said the Government viewed these manifestations with seriousness and "such acts as the display of posters in Bangalore and the hooliganism in Bombay by misguided and anti-social elements should be dealt with with a firm hand."

The State Governments concerned, he said, had taken suitable and adequate steps to deal with the situation and would continue to do so.

Mr Makwana said that the National Students Union of India had made a statement, which was subsequently published in Bangalore newspapers, denying any hand in the posters. Nor had it written any letter to the Prime Minister.

The Minister said the Centre had already written to the Karnataka and Maharashtra Governments to take necessary steps to protect the linguistic minorities. The Karnataka Government had registered a case with the police regarding the posters.

Mr Kurien and Mr Ram Vilas Paswan (Lok Dal) demanded an enquiry into the appearance of the posters which had asked the Malayalees and Tamilians to leave Karnataka within a week's time or face social and economic boycott. They wanted to know who was responsible for this.

Mr Kurien said the Karnataka Chief Minister, Mr R. Gundu Rao, was raising the 'boundary dispute' between Karnataka and Kerala in his speeches and said such statements, in the prevailing circumstances, would aggravate the situation.

The Prime Minister should see that the Chief Ministers of Karnataka and Maharashtra did not indulge in "cheap political acts and divide the people on the basis of caste and religion."

He claimed that he was in possession of handbills issued in the name of Mr F.M. Khan, Congress-I MP.

Mr Makwana said there was a monitoring cell in the Home Ministry to protect the interests of linguistic minorities and others.

The Karnataka Finance Minister had deprecated the posters and assured that the linguistic minorities in the State would be protected.

As regards the alleged Shiv Sena rampage in Bombay on March 9, the Minister said some members of the morcha taken out by the Maharashtra Ekikaran Samiti threw stones at the sign boards of some shops, pulled down the wooden stalls fixed to the wall and set fire to the empty racks of hawkers kept on the foot-path of Dr D.N. Road.

Another section of the participants damaged showcases at the Victoria Terminus and the Churchgate Railway Station and removed articles displayed in them. They also threw stones. One of the shops looted was that of a South Indian. In all 39 persons had been arrested so far in this connection.--PTI & UNI.

CSO: 4220

INDO-GDR OFFICIAL WELCOMES NEW SOCIETY

New Delhi PATRIOT in English 15 Mar 81 p 3

[Text] President of Indo-GDR Friendship Association Mrs Subhadra Joshi has welcomed the formation of India-GDR Friendship Society by the ruling party and extended all cooperation on behalf of the INGFA to the new organisation "in the common cause of friendship and peace."

In a statement on Saturday, Mrs Joshi hoped that the two bodies would actively cooperate each other for promoting better relations between the peoples and governments of the two countries. [as published]

"The decision of the ruling party to make Indo-GDR friendship a part of its programme and to set up a specific forum, under its aegis, to advance the cause of world peace, detente and disarmament marks a major achievement in the growth of friendly relations and cooperation between the two countries. The INGFA looks upon it as yet another fruit of its efforts and welcomes the formation of the India-GDR Friendship Society," she declared.

This would further develop and deepen friendly ties between India and the GDR, as is the avowed desire of INGFS, she added.

She pointed out that till now the INGFA was the only platform to campaign first for recognition of the GDR by the Indian Government and later for deeper and closer association of the two peoples and governments. "Throughout this campaign the Association received encouragement and cooperation from the Government and all democratic elements, irrespective of party affiliations, participated in its activities and programmes," she informed. [as published]

CSO: 4220

REPORT ON HIMACHAL CPI(M) COMMITTEE MEETING

New Delhi PATRIOT in English 15 Mar 81 p 4

[Text] Simla, March 14. The Himachal state committee of the CPI-M has expressed its anxiety at the deteriorating law and order situation in the State, the steep rise in prices and the inability of the State Government to make available essential commodities through a network of fair price shops.

Releasing the deliberations of the State committee meeting of the CPI-M, which lasted for three hours, its secretary, Comrade Tarachand, said that the committee had expressed its satisfaction at the progress made by the coordination committee of the five Left and other parties front in the State and has decided to mobilise 2,000 party workers, including peasants and students, for participating in a long march which shall culminate on 8 April at Simla. [as published]

The long march participants would present a memorandum to the Governor containing the vital demands of the working masses such as remunerative prices for peasants' produce, minimum wages to workers at the rate of Rs 12 a day, adequate supply of essential commodities through the public distribution system, revocation of MISA and the withdrawal of the LIC Bill and cancellation of all outstanding Government loans to peasants.

The CPI-M committee meeting has called upon all its party members, trade unions and Kisan Sabha workers, students and sympathisers to do their utmost to mobilise the people for the long march to the Assembly, said Comrade Tara Chand.

He said the CPI-M committee meeting had also viewed with concern the mounting attacks of Cong-I Governments at the Centre and in the States upon trade union movements in the country. He said the committee felt that the refusal of the Union Government to honour the August 1973 agreement with the loco running staff, with the public sector employees in Bangalore, the scrapping of agreement with the LIC employees, the evasive attitude of the HP Government regarding implementation of the agreement with NGOs and scrapping of the agreement with HPSEB workers' union on the Bhakhra hydel project point out that the bourgeois pro-landlord Government led by the Cong-I were bent upon throttling the principle of collective bargaining.

CSO: 4220

POPULATION PROJECTED TO REACH ONE BILLION BY YEAR 2000

Kuala Lumpur BUSINESS TIMES in English 16 Feb 81 p 19

[Article by Jagan Nath in New Delhi]

[Excerpts]

THE good news is that India's population growth rate will decline to 1.9 per cent during the 1980s through the 1990s. The bad news is that India, whose 680-million population is the second biggest in the world after China, will probably be home to one billion people by the turn of the century.

The decline in the population growth rate offers little comfort to India, half of whose population live below the poverty line.

India's population figures are as astounding as poverty and human deprivation are chilling.

From 680 million, as of the last census in 1961, the population is expected to grow to 672 million by the end of this year. By 1991, it is expected to reach 790 million, and by the year 2001 it shall have surpassed one billion.

Since 1961, when India conducted a census, some 300 million have been added to its population. Another census was undertaken starting February.

Its current population of 680 million is more than twice that of the Soviet Union's which has a land area six times bigger than India's.

Current statistics show that India's population is growing at an estimated 12 million annually.

Of this, 48 per cent of the rural folk and 41 per cent of the urban dwellers live below the poverty line, and it is presumed that the number of the poorest of India's poor has swelled since 1961.

The expectation is that when people realise that having a small family means a better life for them, they would finally accept the wisdom of family planning.

But old misconceptions die hard, and even family planning experts believe that the family planning concept will take years to gain national acceptance.

"Family planning programmes by the same token cannot operate in isolation amidst poverty where additional children are considered as an economic asset, particularly with the prevailing high infant mortality rate," a World Health Organisation (WHO) expert warned.

Some Indian family planning experts claim that they have discovered a correlation be-

tween over-crowding and slow population growth.

This is interesting not only in the India context but the whole of Asia where the problem of migration to urban centres has reached crisis proportions.

Indeed, migration to big cities is one of the most disturbing features of population dynamics in most countries today.

But India's problem with its burgeoning population is more intractable and painful than most other heavily-populated countries. The principal issue is food.

Although Indian officials have proudly proclaimed that the country has attained self-sufficiency in food, and that India has indeed been exporting foodgrains, records show otherwise.

In 1979-80 total grain and pulse production reached 113 million tons. But demand was around 120 million tons or a net shortfall of 700,000 tons.

And the food production growth rate has remained behind the population growth rate of 2.2 per cent annually.

Family planning advocates have resorted to various means of controlling India's population growth, ranging

from friendly concern and persuasion to the macabre.

In 1975-77, the so-called year of Sanjay Gandhi, teams of doctors worked overtime to sterilise males. Some 8 million were sterilised in that short span of time, with thousands upon thousands being forced to undergo the process.

But after the downfall of the Gandhi government and the ascendancy of the Janata Party, the number of sterilisation cases dropped to 1 million in 1977-78.

Now the campaign seems spent as doctors generally refuse to operate on people fearful of a new backlash. Doctors have reported that unlike the previous years, fewer and fewer men voluntarily submit themselves to sterilisation.

India is banking on nasal spray as its long-hoped-for break-through in the family planning campaign. The nasal spray was developed by Dr. A.T. Anand Kumar, a research scholar at the All-India Institute of Medical Science in New Delhi.

But how exactly it will affect the sputtering programme remains to be seen. — Depthnews Special.

NORMAL POPULATION GROWTH SEEN IN WEST BENGAL

Calcutta THE STATESMAN in English 27 Mar 81 p 3

[Text]

West Bengal's tentative population growth rate of 22.88% during the 1971-81 decade according to the provisional figures published by the Census Directorate in Calcutta on Monday, is considered to represent a "normal indigenous growth". The large-scale shift in the State's population indicated by the growth rate (22.80%) of 1961-81 was absent during the present decade, according to the estimates published.

Except for Darjeeling, Nadia and Howrah, the population growth in all the districts has fallen during this decade. The rate in Nadia was registered as 33.48%, the highest among the districts, while in Darjeeling and Howrah the rates were 28.74% and 22.38% respectively. The growth rate of women for every 1,000 men has increased in all districts except in Birbhum and Purulia. In Nadia, the sex-ratio has remained constant. The ratio of women in West Bengal is 911 in 1981 against 881 in 1971.

The percentage of literates in the State is registered at 40.88, a 7.68% rise over 1971. The district of 34 Parganas showed a lead in the increase in the rate of literacy (12.46%). Though West Bengal stands 18th among the States in the rate of literacy, the literacy percentage in the State is higher than the all-India figure of 36.17.

The figures also show a sharp increase in urbanization in the State as a whole in the present decade. Against 11 urban agglomerations in 1971, the number is 32 in 1981. But the growth rate of Calcutta during 1971-81 has been only 4.34%. This shows that Calcutta is demographically reaching a saturation point. The density of population is, however, the State's highest in Calcutta—31,551 persons per sq km.

CSO: 4220

KERALA CHIEF MINISTER ASKS MINORITY PROTECTION

Madras THE HINDU in English 14 Mar 81 p 9

[Text] Trivandrum, March 13--The Kerala Chief Minister Mr E. K. Nayanar, in a letter, has urged the Prime Minister, Mrs Indira Gandhi, to take all steps to protect the interests of the linguistic minorities in all the States.

In another letter to the Karnataka Chief Minister, Mr R. Gundu Rao, he made a request that the linguistic minorities in that State be given all protection.

In his letter to the Prime Minister, Mr Nayanar invited her attention to the poster issue (demanding that Malayalees and Tamils be sent out of Karnataka) and said these demands would work against the cordial relations between people speaking different languages. This would also encourage separatist tendencies.

He had already drawn the Prime Minister's attention to the Karnataka Chief Minister's demand that Kasargode be included in Karnataka. It was meaningless to rake up the border issue again, and even though he had sent a letter in this regard to the Prime Minister, he was yet to receive a reply.

Mr Nayanar, in his letter to the Karnataka Chief Minister, said the Kerala Assembly had considered the poster issue and had expressed its concern over the discrimination shown against Malayalees. He also drew his attention to the dangers inherent in rousing parochial feelings.

"Perhaps this (pasting of posters) is the work of some anti-social engaged in anti-national activities. We should not permit such separatist tendencies. I appeal to you to order a comprehensive enquiry into this and also to ensure adequate protection to the linguistic minorities in Karnataka," Mr Nayanar said.

CSO: 4220

MADRAS REFINERIES TO DOUBLE CAPACITY

Bombay THE TIMES OF INDIA in English 16 Mar 81 p 16

[Text] Madras, March 15 (UNI): The public sector Madras Refineries Limited (MRL) has embarked on a major expansion project to double its refining capacity from 2.8 million tonnes to 5.6 million tonnes a year and to set up a plant to produce paraffin wax.

Mr A.J.A. Tauro, chairman and managing director of the MRL, who outlined the Rs 60-crore expansion scheme in an interview with UNI, said it also envisaged the setting up of a fluid catalytic cracker plant to crack heavy crude and produce middle distillates such as high speed diesel and kerosene. The MRL is processing only light crude now.

Mr Tauro said the expansion project was expected to be completed in 36 to 40 months.

The proposed paraffin wax plant, the second in the country, would involve a separate investment of Rs 20 crores. It would have a production capacity of 20,000 tonnes a year and was expected to be completed in 24 months, Mr Tauro said.

The country's installed capacity of paraffin wax is 30,000 tonnes a year and additional requirements are met by import. The completion of the project would mark foreign exchange saving of Rs 20 crores a year at the current price of Rs 11,000 a tonne. Paraffin wax is an important raw material for match, chemical and pharmaceutical industries.

The technology for cracking heavy crude and extracting paraffin wax from oil was in an advanced stage. The refinery had signed collaboration agreements with two American firms for licensing the processes, he said.

CSO: 4220

WRITER DESCRIBES RACKET IN ILLEGAL MINING

Bombay THE TIMES OF INDIA in English 15, 16 Mar 81

[Two-part article by Janak Singh: "Illegal Coal Mining"]

[15 Mar 81 p 9]

[Text] Poverty Drives Them to Danger

Giridih: Emerging from a coal mine through a small hole, Dharan Das furtively glanced around. Satisfied that no one was watching, he hurriedly started collecting the coal extracted by him in a basket.

But within minutes, a Central Coalfields Limited (CCL) official appeared on the scene. He angrily asked one of his attendants to throw the coal out of the basket and set it on fire. "Huzoor, forgive me," pleaded Dharam Das, but the official sternly warned him against taking coal from the mine. Fear-stricken, he fled, leaving behind all the coal he had dug up over eight hours.

Dharam Das is one of about 10,000 miners, mostly Adivasis and Harijans, who depend for a living on extracting coal from land leased out to CCI in Giridih. They indulge in illegal mining because they have no other source of livelihood. Day after day, they go deep into long-abandoned pits, often endangering their lives.

Barren Land

Said Dharam Das, who has a wife and three children to support, "What can I do? Not even a blade of grass grows on the small holding I have. I cannot get a job. If I do not return to the pit, I may have to take to crime for a living."

The earnings from illegal mining are, however, poor. As Dharam Das pointed out, "Even after risking my life in the pit, I do not get even Rs 6 a day. No one pays more than 50 paise per basket for the coal I extract."

Those engaged in illegal mining live in perpetual poverty. But many others have amassed wealth at their cost. There is a big racket in illegally mined coal in which not only officials of the Bihar government and CCL but also politicians of different hues are involved. The "illegal" coal is sold by a "syndicate" at other places in the state or outside.

The racket flourished unhampered for six years or more until February 13 when the upper crust of a coal mine on Bhadua Pahari on the outskirts of Giridih caved in. Both the state government and CCL officials flatly denied that anyone died in the disaster, and pointed out that no one from the neighbouring areas had so far complained of any relation or friend having been buried alive. They also said that foul smell would have emanated from the mine if anyone had been killed.

When this correspondent visited several neighbouring villages to inquire about possible deaths in the accident, people were reluctant to talk. They were apparently afraid that if they talked about illegal mining at Bhadua or about those engaged in it, they would get into trouble not only with CCL officials and the police but also with the racketeers.

Unfortunately, the tragedy has been clouded by politics because a by-election to the state assembly is scheduled to take place in Biridih soon. Supporters of the Congress(I)--their number in neighbouring villages is by no means insignificant--maintain that reports about deaths at Bhadua were "planted" by a former MLA who is likely to contest the by-election.

According to them, the "wrong" reports about the disaster have cast a pall of gloom over nearby villages as the poor miners are not being allowed by the authorities to extract coal from abandoned mines or pits.

On the other hand, the CPI has launched a vigorous campaign demanding excavations at Bhadua to recover the bodies of miners possibly buried in the mine. Leaflets are being distributed by the party calling for a CBI probe into the accident. The CPI has also urged the government to resume operations at all abandoned mines to provide employment to Adivasis and Harijans engaged in illegal mining.

The Jharkhand Mukti Morcha too has demanded excavations at Bihadua to find out if any miner had died in the accident.

Until 1972, 15 coal mines were being operated by the then National Coal Development Corporation, and there was no unemployment in Giridih. Illegal mining in this region started only when, after 1972, as many as 11 mines were closed rendering over 7,000 miners jobless. Faced with poverty, they began entering the dangerous mines to extract coal illegally.

According to experts, unless the upper crust of a pit has a thickness of 50 feet, it is not safe to undertake mining operations. Crusts of lesser thickness can easily collapse, especially during the blasting of rock in deeper strata.

But disregarding the danger, hundreds of miners started entering the mines. This soon gave rise to a racket, with smugglers buying the coal at cheap rates and selling it at distant places at much higher prices.

The smugglers then started encouraging other Adivasis and Harijans without jobs to go down the pits and extract coal.

According to some reports, some smugglers employed musclemen and posed as owners of the abandoned pits, allowing only those who paid them specified "fees" to go in. It is stated that in some cases, the smugglers used to offer liquor to miners to persuade them to extract coal from dangerous mines.

The smugglers' activities have, of late, been in a low key following the Bhadua disaster. But there is no doubt that it will be "business as usual" once the dust raised by the accident settles.

That the racket is widespread is evident from the fact that a large number of villagers not trained in mining have dug big and small pits close to their houses to extract coal which is sold to smugglers. Almost all villages in the 28-sq-km. coal belt in Giridih district are dotted with crudely-dug pits. In villages, believed to be close to rich coal deposits, the racketeers provide funds to Adivasis and others for digging and later take part of their earnings from the sale of coal as "royalty."

Cottage Industry

In fact, illegal mining appears to have emerged as a thriving cottage industry in this area. As one drives along roads leading to Giridih at night, one can see scores of people working in comparatively shallow pits with the help of kerosene lamps.

Mr B.S. Bajwa, project officer of CCL, while expressing concern at the illegal mining in Giridih, struck a note of optimism. He said: "Now that sophisticated mining equipment is being manufactured in the country and mining technology has advanced, it is possible to recommission some of the abandoned pits and offer employment to miners engaged in the illegal operations."

He added that he had already submitted proposals for resuming operations in a couple of abandoned mines which had rich reserves of high quality coal. CCL is now operating four mines within a ten-sq-km area in Giridih, providing employment to about 2,800 miners.

[16 Mar 81, p 16]

[Text] Kickbacks All the Way

Giridih: No official once posted in Giridih wants to be transferred, though the town is filthy and lacks modern amenities. Widespread corruption tempts officials to prolong their stay here. According to a conservative estimate, a sum of Rs 10,000 changes hands through illegal coal mining daily.

The very nature of the operation, involving large-scale stealing of coal from land leased to Central Coalfields Ltd (CCL) and some virgin areas, provides ample scope for corruption. The CCL guards, officials of the mining department and the police are supposed to prevent it, but they all choose to turn the blind eye to the illegal operations.

While the illegal miners continue to live in grinding poverty, those who organise the sale of such coal in and outside Bihar have become "lakhpatias." The people here cited in this context an office-bearer of the DCC(I), who started from scratch a few years ago and now owns six trucks, besides other property.

It is not the ruling party members alone who benefit from the racket. The spoils are shared by members of the opposition parties as well. Politicians and others in the coal smuggling racket have set up a large number of depots, with or without licence, in and around Giridih. These depots serve as clearing centres for illegally extracted coal, which is sent from these depots in trucks to markets in and outside the state.

The miners operating in an officially abandoned pit have to pay regularly to the police. Those engaged in carrying coal from coalpits to the depots have to pay to the guardians of law and others. The depot-owners receiving illegally extracted coal are again required to keep happy the officials posted for stock-checking. So many irregularities are committed that the racket obviously cannot survive without the collusion of officials.

There are several other sources of corruption.

Not long ago a cabinet minister of Bihar allegedly received a sizeable sum for assistance in hushing up a police case against a racketeer, involving the death of three miners in an abandoned pit. It is alleged that the hapless miners had been inticed to enter the dangerous pit by the racketeer. Despite evidence, the case was dropped after alleged intervention by the cabinet minister. Big and small accidents occur in such mines almost every day, but they are seldom reported.

As it happened after the recent Bhadua mine collapse, all the concerned agencies--the CCL, the police and the Giridih district administration--are often eager to suppress events as publicity exposes the authorities to criticism.

Mr Ahsan Ahmed, special secretary in the mining department, said that while the state government was aware of illegal mining in Biridih, it could not do much to prevent it. The coal-bearing areas were under lease to the CCL. As such, it was the responsibility of the CCL to prevent illegal operations. In a virgin area not under CCL lease, mining was a cognisable offence. Frequently, cases were registered against people resorting to such practices.

The Bihar government had asked the CCL to release areas where it had abandoned mining. The government could start its own mining operations in these areas to provide employment to the people.

CCL Complicity Denied

Mr B.S. Bajwa, project officer of the CCL, denied the charges that illegal mining was taking place with the complicity of the CCL officials. It was not practicable to guard all the abandoned pits. These pits were sealed once mining was given up. The illegal miners had broken the seals or dug new holes for entry and exit. During the past three years, the CCL guards had filed 100 first

information reports with the police and apprehended 56 people. Besides, 100 bicycles used for carrying coal from the pits to the depots had been seized.

According to Mr Bajwa, illegal miners sometimes deploy women to keep watch on CCL guards, while they went underground if the guards approached these women, they were charged with molestation. One guard had been "falsely" implicated in a rape case, he said.

The CCL is preparing to extract coal from surface mines around the Bhadua Pahari, close to the spot where an accident occurred last month, in a bid to prevent illegal mining in the area. The project official says attempts will be made gradually to resume mining operations even in the abandoned Bhadua mine, for, despite the accident, it continued to attract people from neighbouring villages for coal extraction. The Bhadua Pahari is a huge mound. Only its top crust, measuring about 50 metres by 50 metres, had collapsed.

Mr P. Mittal, deputy commissioner, said a vigorous drive had been launched all over the coal belt to check illegal mining. But holes were being sealed and the broken seals of underground mines refixed. The police had been asked to go round the villages daily to detect miners engaged in such operations. "I know the miners will restart the operations by digging new holes. We shall again close the entrances."

Hide-and-seek Game

He added, "The administration will go on repeating these operations. It is a hide-and-seek game. But there is little else we can do. I only hope that our operations will strain the patience of such miners and force them to seek other means of livelihood."

Some time ago, Mr Mittal said, the former CPI MLA from Giridih, Mr Chaturanan Mishra, had suggested that since illegal mining was to poverty, miners should be allowed to sell the coal they so extracted to government agencies so that they could get a better price. "But this cannot be done. How can the administration countenance such a proposal which amounts to tacit acceptance of illegal mining? It would mean that the administration will also be responsible for the risks the miners run in dangerous pits."

Mr Mittal agreed that miners were driven to enter dangerous pits because there was no other source of livelihood for them. He, however, pleaded helplessness in doing anything for them. "It is for the government to decide what should be done for these people. But now that the CCL is considering resumption of mining in some of the abandoned pits, I think many miners will get jobs, and the problem will not be so serious as now."

CSO: 4220

INDIA

COUNTRY REPORTEDLY MAY BUILD SHIPYARD FOR SUBMARINES

Karachi MORNING NEWS in English 14 Apr 81 p 9

[Text] London, April 13: India is considering building a new shipyard exclusively for the manufacture of submarines, PPI learnt here.

A team of senior officials from the Indian Defence Ministry and naval experts has recently visited West Germany and held detailed discussions in this regard.

India, it may be mentioned, is buying two submarines from the West German shipyard Howaldt Deutsche Werke (HDW). The 1,500 tonnes vessels will be built to Indian specifications.

HDW will also transfer technology and train Indian naval designers and technicians for the manufacture of two to four submarines, possibly at the Mazagaon Naval Dock in Bombay which has already built Leander class frigates.

Indian officials said that while Soviet vessels--the Indian Navy has eight Russian made Foxtrot class submarines--were suitable for the traditional types of warfare. The West German submarines would be more useful in an environment of sophisticated underwater warfare.

West German submarines are already in service in Argentina, Greece and Turkey, where sea water temperatures and other conditions differ considerably, a factor which the Indian Government no doubt took into consideration when making its decision.--PPI.

CSO: 4220/252

IMPROVEMENT IN BENGAL INDUSTRIAL RELATIONS NOTED

Calcutta THE STATESMAN in English 27 Mar 81 p 3

[Text]

INDUSTRIAL relations in West Bengal in 1980 showed a "remarkable improvement", according to a report on the labour situation prepared by the State Government. The figures for work stoppages, including strikes and lock-outs, were the lowest in the past seven years, while the number of persons laid off was the lowest in the past 11 years.

There were 130 lock-outs and 78 strikes in the State in 1980, against 146 lock-outs and 146 strikes in 1979. The total number of men involved in strikes and lock-outs in 1980 was 151,790, compared with 433,823 in the preceding year. The number of mandays lost during the year came down to 6.06 million from 18.4 million in 1979. There were 80 cases of closures in 1980, involving 3,323 workers, against 83 in 1979, affecting 3,433 workers. The number of "gharovs" in 1980 was only 13, against 33 the preceding year.

The number of cases of lay-offs during the year was 100, involving 14,848 people, against 199 in 1979, affecting 46,581 people. The number of cases of retrenchment increased from 78 in 1979 to 91 in 1980, but the number of persons involved dropped marginally from 1,120 in 1979 to 1,043 in 1980.

The number of recipients of unemployment assistance in 1980-81 is likely to drop to 61,515 from 67,308 in the preceding year. During the past three years of the

unemployment assistance scheme, altogether 273,000 people received such aid.

The number of trade unions registered in 1980 dropped to 478 from 573 in 1979. The largest number of trade unions registered during the past 10 years was 988 in 1971. The report said that intra-union rivalry had created great deal of problems in maintaining industrial peace. Proper implementation of the Trade Unions Acts was being delayed because of such intra-union rivalries. The report, prepared by the Labour Department of the State Government, was placed in the Assembly on Wednesday.

BRIEFS

CRUDE OIL TERMINAL--Bombay, March 14--Discharge of crude oil from India's largest crude carrier at the Vadinar off-shore terminal began today when the Shipping Corporation of India tanker "Kanchenjunga," with 225,000 tonnes of crude was berthed there for the first time. The Vadinar terminal consists of a single buoy mooring system about 5.5 km off the Saurashtra coast and tankers of 300,000 dwt can be berthed at the terminal. The buoy is connected by a 42-inch-diameter and 5.5-km-long-pipeline under the sea and another 6.5 km pipeline on shore up to the tank farm at Vadinar. Tankers can discharge crude oil at the rate of 12,000 cubic metres per hour through the single-buoy mooring. The supply of crude oil also to the Mathura refineries through a 1,219-km-long pipeline from here will ensure the continuous supply of crude to the inland refinery of Uttar Pradesh. This is considered a significant achievement in the maritime history of India, as this is the first time an Indian VLCC and the largest vessel in the Indian Registry, brings and discharges such a huge quantity of crude oil directly. [Excerpts] [Bombay THE TIMES OF INDIA in English 15 Mar 81 p 4]

GOA CABINET MINISTER--Panaji, March 14 (PTI)--Mr Joildo Souza Aguiar, now a minister of state, was sworn in at the Cabo Raj Nivas here today as a minister of Cabinet rank. The lt. governor, Col Pratap Singh Gill, administered the oath of office and allegiance. Mr Aguiar will continue to hold the portfolios of information, tourism, agriculture and animal husbandry which he held earlier as a minister of state. [Text] [Bombay THE TIMES OF INDIA in English 15 Mar 81 p 4]

DMK LEADER EXPELLED--Port Blair, March 14 (UNI)--The DMK leader, Mr K. Kandaswamy, who contested the last Lok Sabha poll from the Andamans, has been expelled from the party, according to party secretary, Mr A. R. Mardhawan. Mr Mardhawan told newsmen yesterday that the DMK executive committee had unanimously taken the decision to expel Mr Kandaswamy for his activities which were "prejudicial to the interest of the party." [spelling as published] Meanwhile, supporters of Mr Kandaswamy held a meeting and discussed their future course of action. [Text] [Bombay THE TIMES OF INDIA in English 15 Mar 81 p 7]

JAMMU, KASHMIR OFFICIAL--Jammu, March 14--Both Houses of the Jammu and Kashmir Legislature rose for the day after adopting a condolence motion moved today on the death of the deputy chairman of the State Legislative Council, Mr Ved Prakash. Members of both Houses observed two minutes' silence in memory of Mr Prakash, who died here last night after a brief illness. He was 45 and is survived by his wife and five children. The body was cremated this afternoon. [Text] [Calcutta THE SUNDAY STATESMAN in English 15 Mar 81 p 7]

PAKISTANI REFUGEES--Jammu, March 14--About 300 refugees today crossed into Pakistani territory near Suchetgarh to protest against what they called "the failure of the Jammu and Kashmir Government to provide us citizenship rights," reports UNI. According to Mr Bachan Lal, president of the Refugees Action Committee, they were pushed back by the Pakistani Rangers when they were about 30 metres inside Pakistani territory. [Text] [Calcutta THE SUNDAY STATESMAN in English 15 Mar 81 p 7]

ORISSA TRIBALS EXPLOITED--Bhubaneswar, March 14 (UNI)--Fifty thousand tribals in Orissa are being recruited every year by unauthorised agents and sent to distant places as casual labourers. Reports received by the government say that most of these tribals are made to work in conditions of slavery. According to the labour commissioner, the agents often tell the tribals that they would be required to work in a neighbouring district, pay them an advance and then send them to projects at far-off places like Nepal and Bhutan. The recruitment is made in remote tribal districts or at weekly fairs which tribals frequent in search of work. A large number of tribals who have returned from Jammu and Kashmir are found to suffer from malnutrition. A labour department spokesman told UNI: "The way these people are treated is hard to believe. The food they are given is just enough to keep them alive and the pocket money they get will not buy them even a meal outside." [Text] [Bombay THE TIMES OF INDIA in English 15 Mar 81 p 9]

CSO: 4220

GOVERNMENT PURCHASES SATELLITE CORPORATION

Jakarta SINAR HARAPAN in Indonesian 31 Dec 80 pp 1, 12

[Article: "Indonesian Government will Own PT Indosat After 1 January 1981"]

[Excerpts] After 1 January 1981, the Indonesian government will be the sole owner of PT Indosat (Indonesian Satellite Corporation). The implementation of the negotiations and the latest results reached in this matter by the Minister of Information J.B. Sumarlin were reported to President Soeharto at the Merdeka Palace on Wednesday morning.

Responding to press questions after meeting the chief of state, Minister Sumarlin said that PT Indosat, which was an enterprise formed by ITT through its subsidiary ACR (American Cable and Radio Corporation) in 1976, was given monopoly rights to manage telecommunications to foreign countries.

With the purchase of all Indosat shares, worth an estimated U.S. \$43,616,000 or 27.26 billion rupiah, the entire management of telecommunications to foreign countries has come under the Indonesian government.

Minister Sumarlin, in his statement, explained that based on an agreement between the Indonesian government and ITT in 1967, Indosat was given the authority to manage the communication satellite program for 20 years after the commencement of operations.

With the purchase of all Indosat shares by the Indonesian government, the agreement (of 1967) is no longer applicable.

Negotiations to acquire the shares began in mid-October 1980 and were conducted in several stages. During the first stage, ITT's asking price for the shares was U.S. \$97 million.

Subsequently, after the Indonesian government objected, ITT/ACR dropped its asking price to U.S. \$73 million based upon its calculation of expected income up to, and including, 1989.

According to the ITT/ACR calculation, the cash estimate expected to the end of 1989 amounted to U.S. \$157 million.

Although during this first year of negotiation, no settlement was reached on the price to be paid, there was agreement in principle on the sale of the shares as well as on other modalities of the transaction.

In the following stages of the negotiations, the Indonesian team still had a problem with the revised ITT asking price of U.S. \$72 million. However, agreement was reached ultimately on a final price of U.S. \$43.616 million.

This settlement of the final price was included in the agreement signed on 16 December 1980.

With the signing of this agreement, the transfer of all shares and payment was made on 30 December 1980.

In view of the fact that PT Indosat is an enterprise that is running well and profitably, and that on the other hand, telecommunication services are likely to grow both domestically and internationally, the government has divided responsibility for the development of telecommunications between Perum Telekomunikasi (a public sector firm) for domestic operations and PT Indosat for international operations.

With the promulgation of government ordinance nos. 53 and 54 of 1980, Perum Telekomunikasi has been designated as the enterprise charged with general telecommunications domestically, while PT Indosat (persero) was given authority for general telecommunications internationally. This was the statement given by Minister of Information J.B. Sumarlin.

9464

CSO: 4213

TACTICAL ROCKETS DEVELOPED, TESTED

Jakarta SINAR HARAPAN in Indonesian 18 Dec 80 p 12

[Article: "Tactical Rocket Tested at Pameungpeuk"]

[Excerpts] The Air Force Research and Development Service on Monday announced the test firing of an 80 mm surface-to-surface rocket at Lapan Airfield, Pameungpeuk Garut, West Java.

The rocket in question is the result of 3 years of research and development work by the Air Force. The rocket casing is derived from the Corva rocket while the contents were the results of independent research.

It is planned to use the rocket as a tactical weapon having an effective range of 20 kilometers at maximum elevation. The rockets fired from the southern coast of West Java were able to reach an effective range of 12 kilometers.

The project for the research and development of the rocket was part of an effort by the HANKAM (Department of Defense and Security) R&D Center to pioneer self-sufficiency in weapons development, especially in the field of rocketry. Implementation of the program in this field was placed fully in the hands of the Air Force R&D Center. The results of the research and test-firing were remitted to Project Menang (Project Victory) under the leadership of Col Sumantri for further development. Subsequent activities concerning the rocket project will depend upon the leadership at HANKAM.

The test firing was conducted under the direction of the Chief of the Air Force R&D Service Air Commodore Erawan Lampri and was witnessed by the Chief of the HANKAM R&D Center, Major General Otty S. For the occasion of the test, General Otty was given the honor of firing one of the rockets.

The rockets that were fired had warheads weighing respectively 5, 6, 7 and 8 kilograms. The contents of the warhead are interchangeable according to need.

According to the Air Force Information Service, Air Force Research and Development has previously conducted test firings of air-to-air and air-to-surface rockets installed on aircraft.

9464

CSO: 4213

TIN CONFERENCE NEGOTIATIONS REPORTED

Jakarta SINAR HARAPAN in Indonesian 20 Dec 80 pp 1, 11

[Article: "Subroto Reports on Results of Tin Conference in Geneva"]

[Excerpts] The minister for Mining and Energy, Professor Subroto, declared on Saturday at the Merdeka Palace that the UN conference on tin which took place recently in Geneva did not succeed in negotiating a new agreement to replace the one that will expire in June 1981.

Upon completing his report to President Soeharto on the results of the conference, Subroto said there were three principal areas in which it was difficult to reach an agreement among both tin-producing and tin-importing countries which attended the conference.

These three principal areas of disagreement concerned the size of tin-support reserves, the payment for such reserves and the limitation of exports. Tin-producing countries were in favor of a tin-support reserve that was not too large, while the tin-importing countries favored a substantially larger reserve.

The tin-producing countries gave as their reason to decrease tin reserves the argument that these reserves were maintained at their expense. Tin-importing countries, on the other hand, sought an increase in the reserves so that they could be dumped on the market to prevent a price increase, should there occur a scarcity of the metal followed by a consequent price escalation.

Concerning payment that was agreed upon for the support reserve, the tin-producing countries intended that the cost would be shared by all of them on a 50-50 basis.

In addition to this, the tin-producing countries sought to prevent any increase in the reserves beyond what was agreed upon. The tin-importing countries, on the other hand, sought a larger reserve. Payment for quantities of tin above the support reserve would be met by means of loans.

Concerning export restrictions, the tin-producing countries expressed the view that if the price of tin on the world market dropped so sharply that it approached the base price, it would be necessary to curtail exports. In contrast, the tin-importing countries did not concur with such export limitations.

According to the ministers, these three problem areas were the reason no new tin agreement was reached. Nevertheless, although there was no agreement, leaders at the session tabled a package solution that could serve as a basis for further negotiations at the next forthcoming conference planned for March 1981 in Geneva.

The package solution, mentioned above, addresses the three problem areas upon which the recent conference in Geneva foundered.

The package solution suggests that the normal support reserve be set at 30,000 metric tons and that, in addition, there be a supplementary reserve of 20,000 metric tons. This supplementary reserve would be paid by loans.

Concerning export limitations, the package solution suggested that restrictions be applied when reserves reached 35,000 metric tons and that the decision to apply such restrictions be based on a 2/3 affirmative vote by the Tin Council. Alternatively, it was suggested that restrictions be applied at 40,000 metric tons based on an affirmative vote by one-half of the Tin Council members.

The tin-producing countries expressed the hope that the above proposals would be accepted by tin-importing countries so that these suggestions could serve as a pattern for various other international commodity agreements.

If the tin-importing countries give their consent, it will be a great help to the commodity-producing countries, the majority of which are developing nations.

Responding to press questions, Minister Subroto stated that the price of tin at present, 1930 Malaysian dollars per picul (137 pounds) was lower than the maximum price previously realized, 2145 Malaysian dollars per picul.

9464

CSO: 4213

ACCUSATIONS MADE REGARDING TAMPOMAS 2 DISASTER

Kuala Lumpur BUSINESS TIMES in English 24 Feb 81 p 9

[Text]

FRESH data and more accusations this week over the Indonesian passenger ship *Tampomas 2* case indicated that the disaster's death toll might have been actually double and that the vessel somehow had been deliberately let to sink.

Crew members of the ill-fated ship, which sank in the Java Sea on Jan 27 after being gutted by fire for two days, were reported as estimating that passengers on board when fire broke out were numbering 1,600 while the number of officially registered passengers was 1,084 and the vessel had been built for 718.

As the authorities said people who were saved which numbered 743, the actual number of those who perished in the disaster, because of both the fire and the sinking, could have reached some 800 or 850 people instead of an officially admitted 600 or 650.

A sudden inspection of another Indonesian passenger ship, *Tampomas 1*, in Jakarta a few days ago, revealed that 1,084 passengers had boarded the ship — certificated for 1,083 — and after checking, only 128 passengers were found

to have boarded it legally and allowed to travel with the ship to Belawan, North Sumatra.

On the other hand, the widow of the ship's captain, Abdul Rival, charged that officials of the shipowner Peln company had been instructed to lie about the disaster.

Mrs Rival claimed she had been told by a Peln official, in a recorded talk, that secretary of the Sea Communication Directorate Jumas Effendi Habibie had instructed him to report that the ship had a minor breakdown and to withhold reporting the possibility of it sinking.

Mr Habibie had before been reproached for having delayed rescue operations by stating on television on Jan 28 that the fire had been put under control when it was still raging.

Navy fleet commander rear admiral Prasjo Mahdi said recently that news of the *Tampomas 2* sinking was not received by the Indonesian navy until 12 hours after the ship had gone down.

But these accusations did not prevent the government from appointing Mr Habibie as coordinator of investigations into the *Tampomas 2* case. Mr

Habibie had also been responsible for the much-criticised purchase of the ship last year.

The dossier of the *Tampomas 2* tragedy was handed over last week to the Maritime Court whose normal task is to discipline officers and crew guilty of negligence or any other misconduct.

But Captain Abdul Rival was buried as a national hero and is unlikely to be considered to have been at fault at all. When the ship was burning he had told a journalist from the Antara News Agency (on board as passenger) that the disaster was due to "sabotage".

Jurists said it will not be within the competence of the court to examine the real responsibilities behind the disaster and rumours in Jakarta have it that some of those involved have links with high-ranking figures.

The government has appeared as being willing to hush up the scandal or at least to make it "stagnant" as many other cases before.

Explanations given so far by the government have generally been considered as "unsatisfactory" with Communication Minister Rumin Nuryadin speaking only ten minutes

on the case before the Parliament.

Addressing the House, the minister declared "off the record" a memorandum of the World Bank on the *Tampomas 2* purchase but promised, on Feb 5, to hand it over for study to the Parliament.

MPs has complained that the document has not been handed over yet.

In addition, Member of Parliament Achmad Subagio, who recently made statements indicating the World Bank bore some responsibility, said that his "curiosity" about the *Tampomas 2* case has resulted in threats through the telephone on several occasions.

The World Bank itself has maintained silence on the case and declined to make any statement so far.

Persistent rumours in Jakarta have been maintaining that the *Tampomas 2* — formerly a Japanese ship named *Emerald* — had been put out of operation in 1978 and sent then for scrap to Taiwan.

Two years later, in 1980, the *Emerald* was reported to be put again to sea for a testing voyage aimed at showing it was still seaworthy and could be bought. — AFP

INCENTIVES FOR CONSTRUCTION, PURCHASE OF LOW COST HOUSING

Kuala Lumpur BUSINESS TIMES in English 5 Feb 81 p 6

[Article by Warief Djajanto in Jakarta]

[Text]

Eight out of every ten Indonesians live in poorly-built houses, if any at all.

And with a present population of 140 million growing at 2.3 per cent annually, Indonesia needs 600,000 new housing units per year. In cities alone, more than 120,000 units are needed every year.

This stark reality was bared by Indonesia's Housing Minister Cosmas Batubara at the Fifth Congress of the Asia Pacific Real Estate Federation (APREF) in Jakarta last September.

"Realising the pressing challenge and the important role of housing and human settlements in national development, the Indonesian Government has since more than ten years back laid down some basic policies toward a gradual solution of the housing problem," the Minister said.

The creation of the post of Housing Minister with Mr Cosmas as its first head in 1978 underscores the Government's

determination to cope with this basic human need.

The current catch phrase is "equitable distribution." And in the present Third Five Year Plan (1979-84), the fulfilment of basic needs — food, clothing and housing — is on top of the list of eight priorities.

Through Perumnas, the National Housing Development Corporation, some 120,000 low-cost housing units will be built in over 100 towns and cities.

Perumnas will also undertake *kampung* (low-income neighbourhood) improvement schemes and rural housing programmes.

The low-income urban housing scheme includes the development of 60,000 core houses with a 15-square-metre floor space. Walk-up flats will also be constructed in crowded cities like Jakarta, Bandung and Surabaya.

The maximum size of a low-cost house eligible for construction loan from Government banks such as the Bank Tabungan Negara (BTN or State Savings Bank) has a 70 square metre floor space with three bedrooms on a 200-square-metre lot.

Most of the Perumnas houses, however, have floor spaces of 20 square metres and 30 square metres. The building cost ranges from US\$30 to US\$80 per square metre.

This low-cost housing programme will benefit homeless Indonesians who have regular incomes which will enable them to meet instalment payments.

Based on Government policy, the housing beneficiaries should not pay more than one-third of their family income for rent or to pay the monthly instalments of their loan from BTN. This state-owned bank offers an easy-term loan which provides up to 90 per cent of the housing cost, including land. The loan bears a nine per cent annual interest rate with a 5-to-20-year repayment period.

Thus a beneficiary of a 70 square metre house costing 3.5 million rupiahs (US\$5,577) can draw a house ownership loan of up to 90 per cent that amount from BTN. He then pays a monthly instalment of as low as 21,000 rupiahs (US\$33) for 20 years. His monthly income, however, must be at least 63,000 rupiahs (US\$100).

With annual domestic inflation fluctuating from 15 to 20 per cent, many beneficiaries opt for the 20-year instalment plan since the annual interest rate on the loan is fixed at nine per cent.

This rate is lower than commercial banking rates. Housing Minister Mr Cosmas says that if they are to serve the low-income families, it is necessary to lower the interest rates for housing loans.

The Government is also providing a number of other incentives to encourage private sector participation in low-cost housing development.

Government banks will provide a construction loan to housing developers of up to 75 per cent of the project cost, excluding land acquisition with an annual interest rate of 13.5 per cent.

The Finance Department also exempts low-cost housing transactions costing up to 5 million rupiahs (US\$7,968) from the payment of sales tax.

Another incentive is exemption from several duties and taxes falling under the Foreign and Domestic Investment Laws. — Depthnews

OIL REVENUES ACCOUNT FOR 61 PERCENT OF INCOME IN RECORD BUDGET

Kuala Lumpur BUSINESS TIMES in English 20 Feb 81 p 6

[Article by Warief Djajanto in Jakarta]

[Excerpts]

A 63-YEAR-OLD retired policeman in Jakarta is happy the government raised his monthly pension by 15 per cent.

Pensioners are not the only beneficiaries of Indonesia's record balanced budget for 1981-82. Active government employees and armed forces personnel were also given raises ranging from 20 to 40 per cent effective last Jan. 1.

The budget, which amounted to 13.9 trillion rupiahs (US\$12.34 billion), is loaded with food and fuel subsidy increases, civil servant pay raises and other benefits.

However, government critic Rachmat Muliyilsono of the Islamic Persatuan Pembangunan (Development Unity) Party, said that the substance of the budget carries a political motive — the forthcoming 1983 general elections when President Suharto will seek re-election. This windfall of benefits will induce the voters to return Golkar, the government-backed political party, with a majority in the House of People's Representatives.

Indonesia's 1981

budget, to start in April, is the largest in the country's history. It is 21.7 per cent higher than last year's budget of 10.6 trillion rupiahs (US\$10.03 billion).

About half of this year's budget will be spent on development projects — 6.5 trillion rupiahs (US\$10.03 billion) — which is more than a 37 per cent increase over last year. The rest of the budget will be spent for such routine expenditures as subsidies, personnel and materials.

Education got one of the largest slices of the budget pie — 743.5 billion rupiahs (US\$1.17 billion). The armed forces, one of the largest in South-East Asia, got 337.5 billion rupiahs (US\$414 million).

Oil revenues alone is expected to amount to 8.5 trillion rupiahs (US\$686 billion) and will provide 61 per cent of the entire budget income. This is more than a 33 per cent increase over last year's oil income of 6,430 trillion rupiahs (US\$10.347 billion).

"This budget year, foreign aid will amount to only 11 per cent of the

entire budget or US\$1.4 billion. Last year, it was 24.4 per cent of the entire budget.

Along with this decrease in foreign aid is also a decrease in the government's debt service ratio — the amount to foreign debts to be paid as a percentage of export earnings in a given year.

In the last four years, the debt service ratio has declined: From 14 per cent in 1978 to 8.1 per cent in 1981. For 1981-1983, Indonesia has to pay US\$1.657 billion in its foreign debts, which is 8.1 per cent of the US\$17.634 billion it expects to earn from exports the same year.

The Indonesian government, with nearly US\$7 billion in reserves, is now emphasizing its nine inpres projects. They are projects aimed directly to improve the living conditions of low-income earners especially the urban and rural poor.

They include the village inpres, where each of Indonesia's 82,000 villages will receive a lump sum of one million rupiahs (US\$1,003); the elementary school inpres for building classrooms,

housing for teachers, and the provision of books; and the health inpres to build clinics, and buy medicines.

At the other end of the scale, major projects will be constructed to increase the country's revenues. This includes the construction and expansion of oil refineries in Dumai, eastern Sumatra; Cilicap in Central Java and Balikpapan in eastern Kalimantan. The refineries will have a capacity of 480,000 barrels daily.

Indonesian consumers expressed elation over the government decision not to hike fuel prices this year — unlike the past two years when petrol was increased by as much as 50 per cent. This will mean that the government will have to shell out 1.8 trillion rupiahs (US\$2.4 million) for the fuel subsidy.

These government subsidies have helped to keep inflation lower than 1979's 21.8 per cent. Last year, the country's economy grew by seven per cent, compared with 1979's barely five per cent. — Depthnews Special

FERTILIZER PLANT IN ACEH PROJECTED

Jakarta PELITA in Indonesian 17 Dec 80 p 6

[Article: "Contract Signed for ASEAN Fertilizer Plant in Aceh"]

[Excerpts] A contract worth U.S. \$400 million for the construction of the ASEAN fertilizer plant in Aceh was signed yesterday in Jakarta. The contract was signed between the ASEAN Aceh Fertilizer Plant and the Tokyo Engineering Corporation in the presence of the Minister of Industry Engineer Abdul Rauf Soehoed.

The construction of the fertilizer plant which will produce 570,000 tons of urea annually represents the implementation of a decision taken at a session of the economic ministers of ASEAN at Pattaya, Thailand, from 2-4 September, 1977.

The cost of constructing the ASEAN fertilizer plant was estimated originally at U.S. \$310 million. Since 1977, however, this cost has escalated to U.S. \$400 million at the present time.

Japan tendered a loan (aid) for 70 percent of the cost. The remainder was financed from ASEAN capital with Indonesia, as future proprietor of the plant, paying 50 percent of the amount, Thailand, Malaysia and the Philippines each contributing 13 percent and Singapore one percent.

It is hoped that the fertilizer plant in Aceh by the end of 1983 will be able to market 50 percent of its production to the four other ASEAN countries and the remaining 50 percent to the Indonesian market.

The project is located at Lhokseumawe in the District of Aceh Utara, about 15 kilometers from the LNG site at Arun, from which liquefied gas will be drawn to serve as fuel for the fertilizer plant.

The project consists of a factory, port facilities and an area, measuring 150 hectares, held in reserve for future expansion, plus a planted area measuring 40 hectares and a housing development measuring 75 hectares.

The development of the ASEAN fertilizer plant includes the construction of a housing area consisting of 300 dwellings for staff members, plus facilities for common use such as a mosque, hospital, school and a communications building.

The total contract is worth 53,215,400,000 yen plus 41 billion rupiah for goods and services needed for the design, construction and machinery for the plant. An additional 1.2 billion yen has also been set aside for the purchase of needed equipment.

PT Pupuk ASEAN Aceh has already constructed 400 houses, type T-45, each with a yard covering two hectares for each head of family whose land was expropriated for the project.

The Director General of Basic Chemical Industries, Engineer Hartarto, announced in connection with the signing of the agreement that the Indonesian government was also planning to build another fertilizer factory adjacent to the ASEAN plant.

9464

CSO: 4213

MORE LOCALITIES REPORT AGRICULTURAL TAXES, RICE SALES

Rice Exchanged for Goods in Paksan

Vientiane VIENTIANE MAI in Lao 22 Jan 81 p 1

[Text] In December 1980, in addition to courageously and enthusiastically reporting their harvest yields, paying agricultural taxes, and selling rice to the state, the cooperative members and the farmers at Paksan Canton and Sivilai Canton of Paksan District, Vientiane, also gave a total of 20 tons and 221 kilograms of rice in exchange for various goods from the state.

This exchange exhibited the proper rights and obligations of these people. It has played a part in the accumulation of state funds for use in building a stronger nation. Moreover, it has helped increase their personal incomes which were used to gradually improve their living conditions.

Attapeu Sales, Taxes

Vientiane KHAOBAN PATHET LAO in Lao 22 Jan 81 p A6

[Text] Between December 1980 and January 1981 the multi-ethnic population in the districts of Saisetha, Samkksisai, Sanamsai, and Samsai of Attapeu Province enthusiastically and voluntarily reported their personal harvest yields to the state. They also conscientiously brought their rice to pay the agricultural taxes. Moreover, they sold some of their surplus rice to the state and exchanged some of it for various goods.

The total amount of this first annual rice sales and tax payments within Attapeu Province amounted to over 318 tons of rice, 69 tons and 495 kilograms of which was sold to the state and exchanged for various goods.

At present, the rice sales and tax payments in this province are still in progress and will continue until the set deadline.

Song Khon, Savannakhet Taxes, Sales

Vientiane KHAOSAN PATHET LAO in Lao 23 Jan 81 p A5

[Excerpts] Since the beginning of January 1981 the cooperative members and the farmers of Nawneu Canton of Outhumphon District, and the cantons of Lahanam, Pakxong, Nakala, Saka, and Huaimoun of Song Khon District, Savannakhet Province, have voluntarily and proudly brought almost 200 tons of their surplus rice to sell to the state.

Oudomsai Taxes

Vientiane KHAOSAN PATHET LAO in Lao 23 Jan 81 pp A5-6

[Excerpts] Since December 1980 the multi-ethnic population in Hun District of Oudomsai Province has enthusiastically and happily brought their surplus rice to pay their agricultural taxes to the state.

These people have thus far paid their taxes with a total of over 531 tons of rice, over 94 tons of which was paid by Donkeo Canton. At present, these people still continue to sell their surplus rice and exchange it for various goods from the state, after they have stored a certain amount of their rice.

Phin, Savannakhet Taxes, Sales

Vientiane KHAOSAN PATHET LAO in Lao 24 Jan 81 p A3

[Excerpts] In December 1980 the farmers in six cantons of Savannakhet Province, including the cantons of Nathom, Nathon, Naham, Namanchi, Nayom, and Nameuang, courageously and voluntarily reported their harvest yields and brought over 152 tons of rice to pay their agricultural taxes.

It was also reported that in the beginning of January the farmers at the cantons of Phone Hong and Phone Deu of Outhumphon District of the same province voluntarily brought over 40 tons of surplus rice to sell to the state.

Phong Saly Taxes, Sales

Vientiane KHAOSAN PATHET LAO in Lao 28 Jan 81 pp A2, 3

[Text] At the end of January the farmers and multi-ethnic population at Phong Saly District, Phong Saly Province, in these eight cantons: Phong Saly, Bounneu, Nampheung, Keukkong, Pawfang, Poyingsang, Thachiwcha, and Makmeng, completed their first rice sales and paid their agricultural taxes to the state. The total amount of rice sales and tax payments amounted to 217 tons and 758 kilograms, over 170 tons of which were agricultural taxes which had been collected since the beginning of December 1980. The people at these localities are at present happily engaged in the second agricultural tax payments and rice sales to the state.

Sikhottabong Taxes, Sales

Vientiane VIENTIANE MAI in Lao 28 Jan 81 pp 1, 4

[Excerpts] Since December 1980 the cooperative members and the farmers at five cantons of Sikhottabong District, Vientiane, have conscientiously and voluntarily reported their annual harvest yields, and have individually brought their rice to pay their agricultural taxes to the state. They have thus far paid their taxes in the form of 82 tons and 296 kilograms of rice.

Alongside these tax payments, these people also brought a total of 53 tons and 1,324 kilograms of rice to sell to the state and to exchange for various goods. The total amount of rice collected through these sales, taxes and exchanges totaled 135 tons and 4,284 kilograms.

9013

CSO: 4206

BRIEFS

SARAVANE BANK DEPOSITS--Vientiane (KPL)--The representative of the board of directors of the Saravane Branch of the National Bank reported that throughout 1980 the cadres, workers, laborers, and the multi-ethnic population at various localities in Saravane Province enthusiastically and voluntarily brought a total of 1.79 million Kip of their savings to deposit at various state banks. This was done in order to ensure the availability of funds for promoting the people's production and to ensure good harvests. In addition, the administrative authorities at this province opened four new banks in Lamam, Vapi, Lawngam, and Lakhonpheng districts. At present, the cadres at these banks are extensively encouraging and promoting money-saving activities among the people so as to fulfill the goals of the new plan designed by the province. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 23 Jan 81 p A6] 9013

SARAVANE TRADE--Vientiane (KPL)--The year 1980 saw the cadres of the trading stores in Saravane District, Saravane Province, enthusiastically and successfully search for various goods to sell and distribute to other cadres and the multi-ethnic population within their own district. The goods available for sale and distribution at this time included 23,658 meters of cloth, 11,558 sheets of wrap-arounds, 5,130 blankets, 5,718 mosquito nets, 1984 items of clothes, 25,215 skeins of yarn, 4,677 spools of thread, over 10 tons of soap, 11 tons of sugar, 90 tons of salt, 125,660 lighters, 13,741 pots, 6,182 cups, 32,432 tablets of writing pads, 2,251 plows, 1,029 kilograms of nails, and various other goods. At present, these cadres are organizing a force to mobilize the multi-ethnic population at various localities to uniformly bring products and forest goods to sell to the state and exchange for other goods. This is in order to create a balance between the volumes of goods involved in the exchange between the people and the state. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 24 Jan 81 pp A3, 4] 9013

PHONG SALY LIVESTOCK--Vientiane (KPL)--Throughout 1980 various types of livestock raised by the multi-ethnic population at Phong Saly Province were well tended and cared for. As a result, the number of the livestock has increased tremendously, including 29,489 buffaloes and 11,647 oxen. The number of other domestic animals such as horses, goats and hogs has also increased considerably. In comparison with the number of the 1979 livestock, the number of buffaloes has increased 3,345 head, and the number oxen 1,291 head. The reason for such rapid increase was due to the application of scientific techniques of animal husbandry. These animals, in addition, received proper attention and care from the administrative cadres and the veterinarians. Moreover, the above people have also halted the slaughter of animals which are pregnant or capable of bearing offspring. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 27 Jan 81 p [3] 9013

SEARCH FOR URANIUM, OTHER MINERALS IN SARAWAK

Kuala Belait BORNEO BULLETIN in English 31 Jan 81 p 23

[Text]

KUCHING. — Experts from the International Atomic Energy Agency in West Germany are in Sarawak to assist state geologists in the search for uranium in the Bau and Lundu areas.

The state Geological Survey Department carried out a search for uranium in the area under the Third Malaysia Plan a few years ago and the present search, which is part of a wider mineral search in Sarawak, is being conducted under the Fourth Malaysia Plan, which started at the beginning of this year.

The uranium search was revealed by the state Deputy Minister of Primary Industries, Encik Haji Bujang Ulin, who said the Geological Survey Department was using specialised detection equipment and a computer, on loan from the West Germans.

The German experts are also helping local geologists in their evaluation of coal deposits in Bintulu, Balingan and Mert-Pila, near Kapit.

Encik Bujang said because the state was estimated to have at least 300 million tons of coal

available for exploitation, a laboratory was to be set up in Kuching in the next few years which would test the quality of coal mined in Sarawak.

Utah Coal of the United States has completed a prospecting survey of the Bintulu area and is now negotiating with the federal government in Kuala Lumpur for mining rights for coal.

BERJAYA EXPECTED TO WIN SABAH ELECTION

Kuala Lumpur BUSINESS TIMES in English 19 Feb 81 p 6

[Article by A. Kadir Jasin]

[Excerpts]

DATUK Seri Dr Mahathir Mohamed tactfully called it a routine visit, fulfilling the invitation made to Datuk Hussein Onn by the Sabah government.

But since the host is the Berjaya-led state government, the party stood to gain morally from the visit by the Acting Prime Minister at a time when the state is approaching an election.

On the other hand Ueno, the opposition party in the state, is also a member of the Barisan Nasional. For a federal leader like Dr Mahathir, any action indicating or seeming to indicate direct support for one party has to be avoided at all costs.

Therefore while he was the guest of Datuk Harris Salleh's Berjaya state government and highlighted his four-day visit by declaring open the new Berjaya headquarters in Kota Kinabalu, he squared up the tour by meeting Ueno leaders as well.

Although the State Assembly is yet to be dissolved and the election date unnamed, electioneering has started. It is perhaps more accurate to say that electioneering is an ongoing process in Sabah since the day of the split of the once formidable Ueno in 1978.

The forthcoming election is a test more for Datuk Harris and Berjaya than for Ueno. It will decide whether in the eyes of the Sabah people, Datuk Harris and his Berjaya government have done enough to fulfil their past promises.

In a sense, having had a first hand look at what had gone wrong with the Ueno government under the leadership of Tun Datu Mustapha, Datuk Harris and his colleagues had only to set about correcting whatever the mistakes were.

Ueno on the other hand was the victim of its own strength. With its position in the earlier years of independence unchallenged, it contented itself with the type of leadership that had failed to provide the necessary impetus for the creation of effective second line leadership.

Dr Mahathir at the opening of the Berjaya headquarters stressed from the outset the spirit under which he accepted the invitation to open the \$60 million structure. He said Datuk Harris in extending the invitation clarified that the occasion was not meant to be an election campaign for Berjaya.

While making clear the Barisan Nasional will observe a neutral stand in the conflict between Berjaya and Ueno, he in no uncertain terms praised the Berjaya government for its success in the last four and a half years.

Berjaya may perhaps benefit from the Acting Prime Minister's comment on the relations between the central government and Sabah under Berjaya. Resailing that under the federal system

Sabah and Sarawak are given wider powers. Dr Mahathir said the federal government had no problem in its relations with Sabah — a far cry from what it was before the 1978 power shift.

Economically, apart from correcting the state's precarious financial position, the present state government had ventured into areas which would have been dismissed as impossible five years ago. This included rationalising timber exploitation via price fixing in conjunction with other members of the South East Asia Lumber Producers Association (Sealpa), reforestation and placing quota on timber exports.

As for the chances of Berjaya retaining the state government, the present consensus is that they are bright. Apart from the strength of Berjaya itself, the inability of Ueno to build a dynamic leadership to replace that of charismatic Tun Mustapha, could work in Berjaya's favour.

"Look at all these," said a well-placed federal official pointing to the visits by the Acting Prime Minister and President Suharto of Indonesia and the conference of Mentri Besar and Chief Ministers. "They are not here for nothing you know. They are intended to prop up Datuk Harris' image."

While Berjaya will be seeking the mandate from the people with the promise that it will con-

tinue the state's social-economic development — on which it has made visible progress — Ueno is seeking to picture these developments as detrimental to the well-being of the Sabah people.

But observers believe that economic issues will not help Ueno very much because its 14 year record in the state was not exactly glittering. In fact it was far inferior to that of Berjaya's four and a half year performance.

The issue which is going to determine the success of the contenders will be the exploitation of the sentiments of the major communities in the state — the Kadazans, the Malays and the Chi-

Ueno is basically a Malay party although it has members from other native communities, except Kadazans. It is entering into an election pact with Pasuk Nunukragang representing the Kadazans and the Sabah Consolidated Chinese Party to match the multi-communal nature of Berjaya.

Pasuk has been fanning the sentiments of the Kadazans by claiming that they take the second spot in Berjaya although they contribute perhaps the votes that put Berjaya where it is today. SOCP on the other hand intends to draw away the Chinese from Berjaya by claiming that the party's economic strategies are depriving the Chinese of business opportunities.

SHELL DISCONTINUES ONSHORE OIL SEARCH IN SARAWAK

Kuala Lumpur BUSINESS TIMES in English 26 Feb 81 p 2

[Text]

AFTER some 70 years of operations, Shell is giving up onshore oil exploration and development in Sarawak for good. It is convinced that onshore Sarawak does not any longer hold potentials for oil discoveries.

A spokesman for upstream Shell companies told *Business Times* in Labuan that after one last fling when it drilled two onshore wells near Miri last year, Shell was leaving onshore Sarawak for good.

Even in the offshore areas of Sabah and Sarawak, the potentials of finding large oilfields

do not look too bright. The areas contracted to Shell companies have been extensively explored and the chances of large new discoveries are unlikely.

However, the spokesman conceded that potentials of areas not already explored in Sabah and Sarawak waters should not be ignored.

He said after years of drilling and studying the geological formation of the two states one could safely conclude whether an area has the potential or not.

The first oilfield to be discovered in Malaysia was in Miri. Called "Miri

No 1", it was discovered in 1910 — 13 years before the discovery of the larger Seria field in Brunei.

The "grand old lady" as it is also nicknamed, the Miri well was closed in 1973 and on Oct. 1, 1973 and was handed over to the state government as an official monument.

During its 63 years of life, the Miri field contributed some 650,000 barrels of crude that put this part of the world on the oil map.

With the potentials in Sabah and Sarawak almost fully exploited, Shell is believed to be eyeing for contract areas in the offshore Treng-

ganu, Kelantan and Pahang.

"We would be too happy to consider going into these areas," said the spokesman.

Since the signing of production sharing agreement with Petronas at the end of 1976, Shell upstream companies have not acquired new contract areas.

Petronas in offering new exploration areas has decided to welcome bids from new operators. But according to the Shell spokesman, they have been given the understanding that they will be included in future exercises.

CSO: 4220

NEW PLAN TO INCREASE BUMIPUTRA SHARE IN ECONOMY

Islamabad THE MUSLIM in English 20 Feb 81 p 5

[Article by Dilip Mukerjee]

[Text]

MALAYSIA'S political leadership makes no secret of its preference for private enterprise and initiative in contrast to the socialist rhetoric of the ruling elites of most developing countries. One of the ways in which popular support is being reinforced for this free-wheeling pattern of economic development is to make it possible for the politically powerful "sons of the soil" - bumiputras - to acquire a stake in the country's fast-expanding corporate sector.

Bumiputras, including not only Malays but also such indigenous communities as the Kadazans of Sabah and the Iban of Sarawak, constitute just 55 per cent of Malaysia's population. The Chinese and Indian immigrants brought into the country by the British colonists account for the rest. This accident of history, which made the immigrants the prime movers of the modern economy, the British started building late in the 19th century, accounts for persisting racial inequalities in income and wealth.

After frictions stemming from this disparity touched off ghastly communal riots in 1969, the Government adopted what it calls the New Economic Policy (NEP) to promote greater racial equity in income and opportunities. The country's 1957 Constitution - based on a compromise arrived at among political leaders of the three communities - allows for special preferences for Malays to help them catch up with the rest in education and economic well-being.

Under this proviso, the NEP set the target that bumiputras should gain a 30 per cent share in the country's corporate sector by

1990, while non-bumiputras should hold another 40 per cent with the balance in the hands of foreign investors. In 1971, when the NEP was launched, the bumiputra share was a meagre 4.3 per cent, with individuals accounting for 2.6 per cent and public sector institutions 1.7 per cent. Against this, other Malaysian residents held 34 per cent and foreigners 61.7 per cent.

Had this pattern persisted, the private enterprise route of development would have had few takers among the majority community. Change was thus needed not only for the sake of racial equity but also to safeguard the role of private enterprise in development. This led to the curious paradox of the Government launching a series of public sector undertakings, like Pemas (a conglomerate now managing 90-odd companies), to participate in the corporate sector on behalf of bumiputras. This is why these companies are described as "trustees" in Malaysia.

MASSIVE TRANSFER

It leads to a massive transfer of funds from the exchequer to the trustees as loans, amounting to M\$1,429 million (U.S. \$ 650 million) by 1980, ownership of shares by trustees had risen by the end of last year to 8.2 per cent. Bumiputra individuals, who were allowed shares on a preferential basis of new companies or old ones restructuring their equity to conform to the guidelines, owned another 4.2 per cent making a bumiputra total of 12.4 per cent valued at M\$3.4 billion (about U.S. \$ 1.5 billion) or 12 times as

much as in 1971.

Trustee companies will have to expand even more rapidly than in the past, with new ones being set up to work in parallel with existing ones or take on new tasks. At the same time, a big drive is being launched among the bumiputra masses to popularise the idea of holding savings in the form of shares to reduce the burden that the trustee companies would otherwise have to carry. Even more important, wider share ownership in the community is imperative for forging the political sanction for encouraging private enterprise to play a leading role in the economy.

Bumiputras, like everyone else in Malaysia, have gained impressively from the country's economic growth at a sustained 8 per cent per year. The average income of a bumiputra household increased by 48 per cent in real terms in the six years (1973-79) compared with a 43 per cent rise in Chinese and 33 per cent lump in the Indian cases. Even so, a current household income per month of around M\$700 (about U.S. \$ 320) for bumiputras does not leave them much elbow-room for saving - as brought out by the fact that their share in total savings held with Malaysian financial institutions is just one-fifth in sharp contrast to their share in the population.

Promoting wider share ownership among the community is not therefore going to be easy, obliging the Government to opt for a plan to achieve the object through a unit trust scheme which would sell M\$1 (U.S. \$ 0.45) units to any bumiputra adult - there are 3.8 million of them - willing to put up a minimum of M\$510 (U.S.

§ 4.50)

Bumiputera unit trusts are not new: several public and private sector institutions already offer them, but not on the scale now envisaged through the creation of a Bumiputera Investment Fund with a M1,000 million (U.S. \$ 136 million) loan from the treasury. The Fund is now promoting a new unit trust mainly on the strength of 600 million shares in 21 profitable trustee companies transferred to it in January. That apart, it is buying into the private sector, one recent example being its purchase of a huge stake in Guthrie, the British-owned plantation group.

UNIT TRUST

The unit trust is to hold the price of each unit unchanged at one dollar up to 1990, with gains from capital appreciation to be paid out in the form of bonus units. The Government is pledged to maintain dividends at 10 per cent a year except in the direct circumstances of an international economic crisis affecting Malaysia.

To make sure that units are widely held, the maximum any individual can purchase is limited to M\$50,000 (U.S. \$ 22,700). Four banks are offering loans of up to 80 per cent of the purchase price of units at just over 8 per cent repayable in 10-20 years, with a cut-off point for lending as high as M\$10-20,000 (U.S. \$ 4.5-U.S. \$ 9,000).

Participation in the unit trust is of course limited to bumiputras with two exceptions. Employee co-operatives of the armed forces and the police are eligible to sub-

scribe on behalf of their entire membership including non-bumiputras. Additionally, 5 per cent of the shares in the 21 trust companies up to a maximum of M\$2 million (U.S. \$ 900,000) are reserved for employees and managers of those companies regardless of race.

With the trust due to be launched from April 1981, its sponsors are keeping their fingers crossed. But even if the response takes time to build up, this new concept of transferring the great bulk reserved for bumiputras to the investment fund and similar public institutions eliminates one major abuse of this privilege by politically powerful individuals.

Since share transfers to bumiputras by existing companies took place at a special negotiated price based on net asset value rather than the market rating, those lucky enough to be allotted any got them at as much as two-thirds less than what a stock exchange transaction would have cost. In 90 per cent of those cases, the recipients hawked their shares within days rather than weeks to turn in a quick, and wholly unearned profit—a fact often pinpointed by bumiputera militants.

Many fortunes have been made in this way, but growing criticism about the rich-poor gap within the community has forced the hands of the Government. With shares now going almost wholly to public institutions, quick killings will stop, also ensuring that reserved shares remain with bumiputras instead of being recycled out. This, too, is a necessary and important step for reinforcing popular support for Malaysia's development style.—
The Muslim-Depthnews Service.

POPULATION DIVIDED OVER INDEPENDENCE ISSUE

Kuala Lumpur BUSINESS TIMES in English 24 Feb 81 p 19

[Article by Barry Moody in Noumea]

[Text]

NEW Caledonia seems to breathe calm and stability to the thousands of foreign tourists sunbathing on its South Pacific beaches or dining in its elegant French bistros.

The island territory east of Australia is one of France's last overseas possessions and the Gallic influence is obvious here, from the pavement cafes and expensive boutiques to the earnest men playing petanque — a form of bowls — on the waterfront.

But many residents warn that the South Pacific tranquillity could be rapidly shattered if significant political and economic changes are not urgently carried through.

There are signs that the indigenous Melanesians are becoming impatient with their status and the leisurely pace of change. Many people agree that the potential for violence exists although this is not imminent.

In recent months Melanesians have seized plots of land in three areas, and in the loyalty islands off the east coast there have been arson attacks on tourist installations.

There has been periodic unrest in the schools and last December members of pro-independence parties occupied offices of the Catholic Education Organisation in Noumea to protest against the dismissal of two teachers, apparently on political grounds.

Mr Lionel Cherrier, leader of the centrist FNOC Party and the territory's senator in Paris, told Reuters there had al-

ready been small violent demonstrations in Noumea. "If there is no reform these demonstrations will become more and more numerous," he said.

Between September and December last year there had been one or two cases a month of cars being stoned, arson and street fights.

"It is easy to say it is alcohol that causes these things. But it is not always alcohol," he said.

Mr Cherrier was a leading supporter of a land reform bill for New Caledonia, passed in December by the French Parliament, which enables the government to take over land from white owners and grant it to Melanesians.

The reform was strongly opposed by right-wing whites, including former settlers from Algeria, who established an organisation called La Rurale to challenge it, violently if necessary.

But Mr Cherrier said rapid implementation of the reform this year was vital if the situation was not to deteriorate. "If it is not carried out New Caledonia will be engulfed in a state of war," he said.

French officials and Mr Jacques Lafleur, leader of the right-wing RPCR — biggest party in the territorial assembly — say violence and demonstrations are minimal and the streets are safer than those of Paris.

They also say support for independence is losing ground.

French Secretary of State for Overseas Territories Paul Dijoud said

here last month that New Caledonia "is and will remain French." Claims by Melanesian politicians that independence would be won next year or later were absurd, he declared. France would never leave.

The "Independence front" — comprising five pro-independence parties which grouped together in 1979 — is contemptuous of French attempts to reduce its appeal through reforms. It is too late for any reform except reversal of France's seizure of New Caledonia in 1853, says one of the front leaders, Mr Yelwene Yelwene.

The front hopes for major results from a campaign outside the country, especially among South Pacific nations, including Australia, and in the United Nations, supported by their Melanesian neighbour Vanuatu, formerly the New Hebrides, which became independent last July.

Their emphasis on an external campaign is understandable because the dice seem loaded against them inside the territory.

The 60,000 Melanesians are in fact outnumbered by a combination of 60,000 whites and nearly 30,000 Polynesians, Indonesians, Indo-Chinese and other races who form a natural alliance and mostly support continued French control.

In the last territorial elections in 1979, parties favouring continued French links took 65 per cent of the Melanesian vote.

It says the situation under which Melanesians are outnumbered

in their own country by other races, including temporary French residents, is totally undemocratic.

The front also fears French plans for further immigration to develop the territory.

Mr Yann Celene Uregel, best known of the independence leaders abroad — he spent seven months at the United Nations last year — told Reuters the front hopes to have New Caledonia included in the UN list of non-independent territories this year.

Although the front rejects the idea of armed struggle it does fear the possibility of attacks from various right-wing organisations which periodically reappear here.

Mr Uregel said violence was inevitable, and Mr Nidoah Naisseline, a paramount chief and senior member of the Marxist Palika Party said "We are not violent people but violence may be imposed on us if account is not taken of our wishes."

Mr Yelwene dismissed the idea of a Rhodesia-type situation here and said France would be forced by international pressure to grant independence. But independence parties were organising to defend themselves in case of violence or attacks by diehard whites.

The front's members range from the Marxist Palika to Mr Yelwene's more moderate Union Caledonienne and there are still major differences. But they are united on a campaign for an independent, socialist New Caledonia. — Reuters

INDIAN OPPOSITION TO PAKISTAN ARMS ACQUISITION SCORED

Karachi DAWN in English 10 Apr 81 p 15

[Editorial]

[Text] When in a speech at a public rally Mrs. Indira Gandhi expressed vociferous opposition to Pakistan's efforts to acquire arms, she was harping on an old theme. In fact, in recent weeks the Indian Government has lost no opportunity to impress upon the American Government India's concern at the "reported move to induct large quantities of arms" into Pakistan. Sometimes back the External Affairs Minister, Mr Narasimha Rao, had taken a strong stand on the issue in the Lok Sabha and later the Indian Ambassador in Washington was reported to have had a meeting with Mr. Alexander Haig. And accompanying the Government outcry against Pakistan has been the orchestrated campaign launched by the Indian Press to denounce what it calls Pakistan's move to build up its arsenals with arms worth billions of dollars. This campaign, both official and from the Press, is, to say the least, most regrettable, coming as it does at a time when the compulsion for regional stability and security could not have been greater.

The plea the Indian Government has taken is that arms supply to Pakistan results in setbacks to the normalisation process within the subcontinent and induces instability, since, according to Mrs. Gandhi, such arms are used against India. Nothing could be more far-fetched than to imply that Pakistan is seeking to build up its defence capacity to use it against India. No Government in Pakistan would seek to go to war with India, upset the status quo in the subcontinent and thus hurt its own security interests. It is time the Indian Government realised that Pakistan's geopolitical and strategic compulsions are derived not from any aggressive designs against its much bigger neighbour, but from its basic need to build up its security and defence capability in an environment which is not always hospitable. At present, the situation in Afghanistan has created circumstances which cannot be ignored. If Pakistan's sovereignty is not to be subverted, and it is to maintain its independence in the face of the growing pressure from the North-West, Islamabad will be expected to modernise its military equipment. The assumption that Pakistan's newly acquired fire-power would be directed against India will not bear scrutiny. With India being ten times in population and resources, and given India's bloated armaments, it is inconceivable how Pakistan can hope to acquire enough arms to take on its formidable neighbour. And given the decisive edge India has in locally made and imported hardware and military manpower strategy for a Government in Islamabad to provoke a war with New Delhi.

The Indian Government's much publicised fear of an attack from Pakistan is a transparent ruse and will impress nobody. But this outcry does make one wonder

what New Delhi's intentions are. This campaign has to be seen in the wider context of India's policy vis-a-vis its neighbours. Any attempt by Pakistan to strengthen its security enhances its political and diplomatic capacity to resist outside pressures. Unfortunately New Delhi has made it too evident in the period after independence that it cannot countenance any move that will strengthen Pakistan's capacity to defend itself. A militarily vulnerable Pakistan increases India's capacity to impose its wishes upon its smaller neighbours. Past experience shows that India has exploited the weakness of its neighbouring countries in a bid to emerge as the dominant Power in South Asia. Hence, it has periodically launched campaigns, such as the current one, against Pakistan to dissuade outside Powers from supplying it with arms. But a source of greater concern is the strategy India has been employing of using an outcry against Islamabad as a smokescreen to cover its own acquisition of massive quantities of arms. Only a few months back the Indian Government entered into an arms supply agreement with Moscow, which carries a nominal price tag of 1.6 billion dollars but which involves an actual transshipment of arms worth 6 billion dollars. Over and above that, India is to buy 2 billion dollars worth of Jaguar planes from Britain, submarines from Germany and TOW missiles from the United States. It is not known what other military hardware India will be purchasing from abroad. Of even greater significance is the indigenous capacity for arms production which New Delhi has developed over the years mostly through co-production agreements with external suppliers. HAL, the major arms producer in India, has plants in six cities and is producing several versions of MIGs, Aerospatiale Alouette and Cheetah helicopters. The Mazgaon Docks are building Leander class frigates, and the production of an aircraft carrier and submarines is on the cards. With the local ordnance factories manufacturing conventional weapons, India's arms industry is now well advanced and the Government aims at self-sufficiency in arms production in a few years. Having engaged in a hectic arms buying spree and having enhanced its own capacity to produce arms, India is scarcely qualified to strike the innocent pose of a poorly armed, pacifist country getting genuinely scared over a supposedly 'powerful' neighbour's acquisition of more arms.

CSO: 4220/252

ABANDONMENT OF 5-YEAR PLAN REPORTED

Karachi DAWN in English 9 Apr 81 pp 7, 10

[Text] The fifth five-year plan has been abandoned. In its place is to come a three-year economic and financial stabilisation programme to cover the left-over period of the fifth plan.

The abandonment of the Fifth Plan follows the scuttling of the fourth five-year plan--1970-75--with a proposed outlay of Rs. 7,500 crore, prepared after a great deal of ground work and intensive studies. Moderate welfarism and social justice were the new elements in that plan that was to make a beginning towards redistribution of income in the country.

In between the two plans we had seven years of ad-hoc planning, or more annual development plans when development was approached on an year-to-year basis.

And now from a six-year plan, five five-year plans and seven one-year plans, we are moving towards a three-year plan because of the uncertain international economic situation and the advise of the International Monetary Fund. Can we really make a success of it?

When Finance Minister Ghulam Ishaq Khan talks of a three-year national economic plan which is in the finishing stage, does he mean the plan to cover the three years ending June 1984, and will it cover only the two years and three months of the fifth plan period? These points remain to be clarified.

The abandonment of the fifth-five year plan with its target outlay of Rs. 21,000 crore will neither cause any surprise nor any great grief. In fact, the plan has hardly been mentioned since it was launched in 1978, and even the budget speeches of the Finance Minister seldom contained any reference to it. It was largely a frozen or forgotten plan, and now the dead is only being buried.

Basic Reasons

Earlier, a great deal of efforts had gone into the fourth five-year plan--1970-75--which too was abandoned, despite its distinct merits. Soon after the plan was ready political instability in the country became worse, war with India followed, and ultimately we lost East Pakistan. So the plan died more like a still born baby.

In fact, the history of economic planning in Pakistan has been a tragic one, and the exercise unrewarding too often. External factors were as much responsible for the failure of the plans as the internal unrest or economic stagnation.

Tremendous labour, prolonged debates and advice of some of the renowned experts in the world had gone into each of these plans: but when the plans got aborted in the middle of the plan-period or just after it had begun the planners had reasons for real regret, and then got busy with the next five-year plan.

The third five-year plan--1965-70 in spite of the excellent preparations made for its launching and the extensive studies that preceded it, made a disastrous start because of the 1965 war with India. In fact, the plan with a target outlay of Rs. 5,200 crore was prepared within the framework of the 20-year long term perspective plan for 1965-85. If all had gone well we would be completing the 20-year perspective plan a few years from now. Instead, for seven years, from 1970, the country had to resort to mere annual development plans. And the five-year plan that followed is being abandoned in favour of a new three-year stabilisation plan.

If the war with India in 1965 gave the third five-year plan a severe jolt, suspension of U. S. aid, the need to divert larger resources towards replacing and augmenting the defence equipment, and droughts and floods that alternated each other and finally the political unrest that resulted in the ouster of Ayub Khan impaired the plan severely.

Before the country embarked on its five-year plans beginning with 1955, it had a six-year Development Programme for 1951-57, prepared under the Colombo Plan: but it encountered serious difficulties in the wake of the Korean War and was given up two years before it was to end.

G. Ahmad's Report

The first five-year plan, prepared with the late Zahid Husain as the Chairman of the Planning Board, envisaged an outlay of Rs. 1,080 crore and an increase in the national income by only 15 per cent between 1955-60, and a rise in per capita income of 7 per cent in five years.

Mr. Said Hasan, then Secretary, Economic Affairs, and later Vice-Chairman of the Planning Commission, in his book, "Pakistan--the story behind its economic development," says that the first plan had little, if any influence on the course of economic development in Pakistan in those years, and "it was not even accepted by the government as a paper document until 1957"--two years after the plan period began.

No wonder such a plan received serious setbacks in achieving even its very modest targets. Analysing the causes for the setbacks, "An Evaluation Report" prepared by the planning Commission with Mr. G. Ahmad as Chairman listed them as follows:

"Inadequacies of organizational policy in certain spheres to cope with the evolving requirements of developmental programmes, insufficiency of trained personnel, inefficiencies of budgeting and sanctioning procedures, absence of effective co-ordination of foreign exchange allocations with rupee budgeting, absence of strong

administrative follow-up to assure execution of schemes in accordance with the plan and woeful inadequacy of reliable statistical data."

Can we honestly say that many, if not all, of such inadequacies are still not prevailing in our official life and hampering the success of our five-year plans? Has not a determination to succeed and keep the plan goals above other considerations or political expediencies of the day been notably absent during the successive plan period?

The second five-year plan--1960-65--with an outlay of Rs. 1,900 crore has been the only remarkable success story in our plan history. The original outlay was, in fact, later raised to Rs. 2,300 crore, and yet the total outlay at Rs. 2,754 crore exceeded the second plan target by Rs. 454 crore. As a result, increase in the national income during the plan period rose to 30 per cent against the target of 20 per cent. And mobilization of domestic savings during the period rose to Rs. 1,880 crore instead of the plan target of Rs. 1,145 crore.

The second plan achieved a resounding success as there was neither an external conflict nor serious internal unrest, and ample incentives to industrialists and businessmen were buttressed by excellent weather conditions that produced bumper crops.

The current fifth five-year plan has hit the rock not because of external conflicts but because of external economic factors highlighted by the international inflation, the soaring price of oil and all-oil based imports, and the recession in the Western world.

The ugly realities of present day economics have made a mockery of the fifth plan. Exports were to rise to 2.2 billion dollars by June 1983, but the exports last year exceeded this target by 200 million dollars, and the export prospects for the current year are 2.6 billion dollars.

Similarly, imports were to rise to 3.8 billion dollars by June 1983--from 2.8 billion dollars in 1977-78. Instead, the exports rose to 4.7 billion dollars last year, and are expected to be 5.6 billion dollars this year, leaving a staggering trade deficit of three billion dollars.

The plan envisaged a private sector investment of Rs. 6,200; but this sector has not been too eager to fulfil the plan targets or to invest in really useful or productive areas.

Growth Philosophy

Domestic savings were projected to increase from 7.8 per cent of the Gross Domestic product in 1977-78 to 12.5 per cent. Instead the saving rate has sunk close to five per cent, creating a serious resource crisis.

On the plus side, the Sind Government tells Mr. Robert McNamara, President of the World Bank that Sind achieved the wheat target for 1983 last year, while the cotton and rice targets have been achieved this year. Sind is clearly ahead of the plan.

The plan envisaged that 25 per cent of the resources needed to finance the Rs. 21,000 crore-plan will be met from outside; but while external aid has been

forthcoming and liberally, much of that is being used for current consumption. We are using even most of the 1.6 billion dollar-credit over three years given by the International Monetary Fund for this purpose. In addition, we have obtained substantial short term credit from foreign banks. Evidently when the demands of current consumption, whether that be for food, fertilizers or raw materials for our industries receive a higher priority or have a greater immediacy than the development plan and its goals, the plan has to go under.

Stressing the need for a growth philosophy, Dr. Mahbubul Haq in his book, "The Strategy of Economic Planning", says that "economic growth is a brutal, sordid process. There are no short cuts to it." Indeed, there are no short cuts, however hard we try to invent or improvise them. The basic question is: Are we capable of the toughness, self-discipline and all round sacrifice, with the richer making more of it, that alone can make a success of five-year plans?

We are instead developing an incentive system, but we do not have enough to give incentives to the diverse elements on the developmental scene. After the agricultural producers, industrialists and workers get their incentives and the Government obtains larger taxes to be spent in nonproductive sectors, there is not much left to add to the collective net resources of the country.

Writing of the pre-requisite for successful planning in a developing country, W. Arthur Lewis, Nobel-prize winning author of the "The basic principles of economic planning", says "Planning is at the same time much more necessary and much more difficult to execute in backward than in advanced countries. In the first place, planning requires a strong, competent, and incorrupt administration... It must have a competent administrative service, with well trained personnel, able to understand large issues that are at stake, and to act reasonably and rapidly. And it must be free of all charges of corruption since, whereas men will bear many restrictions from a Government which they believe to be acting fairly and solely in public interest (however mistakenly) without respect of persons, they will sooner or later resist violently measures which are corruptly administered, however acceptable the measures themselves may be."

Do we have these vital pre-requisites for the success of our development plans? If not, when and how are we going to create them, and above all, involve the masses too enthusiastically in achieving the plan targets?

Can we make a success of the proposed three-year stabilisation plan? We have in hand the Afghan refugee problem with all its ramifications, the unpredictable outcome of the Iraq-Iran war, and the problems of Gulf security, and American involvements in the region, the impact of India's arms race on us, and a political and constitutional problem in the country. In addition, international inflation is getting worse along-with the recession in the industrial nations. All these have a major impact on our development plan. And the effect of the soaring inflation at home on the cost of large projects is no less.

So we have to keep our fingers crossed as we embark on the three-year-plan in an utterly unpredictable period in the region and in uncertain economic conditions around the world. Evidently we have to reset the goals, recast our priorities, and go with a single minded devotion towards them, and not waywardly or confusedly, as in the past.

ALLIANCE FORMED TO COUNTER UNPATRIOTIC ELEMENTS

Quetta BALUCHISTAN TIMES in English 18 Mar 81 p 1

[Text] The formation of a Pakistan Ideology Alliance is in the offing and the negotiations among various rightist pro Pakistan groups and defunct parties have already been concluded.

Mir Taj Mohammad Khan Jamali a prominent tribal leader, of Baluchistan told newsmen here today that the like minded leaders and groups have held long discussions on the necessity of forming a patriotic alliance to effectively counter the mounting pressure of the anti-social and anti-Pakistan elements.

He said that the silence and indifferent attitude of the believers in Pakistan must not be misconstrued as their weakness. [as published] He assured that they would not sit idle if any attempt to endanger the existence of Pakistan was made. "We love Pakistan first and then politics and other things", he added.

Mr. Taj Mohammad Jamali giving the aims and objectives of the alliance said that it would demand the Government to restore democracy and hold elections at an appropriate time, because restoration of democracy was a must for building Pakistan into a powerful and prosperous state. He also urged the people to rally round the right thinking and patriotic elements and expose those who were opposed to the welfare of the people and existence of the country.--APP.

CSO: 4220

U.S. SECRETARY OF STATE HAIG'S COMMENTS ON PAKISTAN ASSAILED

Lahore VIEWPOINT in English 26 Mar 81 pp 5-6

[Editorial: "Stop It, Junior!"]

[Text]

GENERAL Alexander Haig Jr., we feel, has been giving too much attention to Pakistan ever since he took over the Department of State. As of today, the situation is that the Symington Amendment forbids American assistance to countries having nuclear programmes. Pakistan, therefore, cannot receive meaningful U.S. aid unless the Symington Amendment is suitably changed or repealed altogether. Gen. Haig, in a two-day testimony before the Senate Foreign Relations Committee, observed that Pakistan, bordering Afghanistan where the presence of 85,000 Soviet troops poses a serious threat to Gulf security, 'is of particular concern' to the Reagan Administration. In spite of this and in spite of the fact that Pakistan was an 'ostensible' U.S. ally, it received no American assistance, lamented the General. He urged Congress to change the existing law so that Washington could 're-establish a dialogue of trust and confidence with Pakistan'. More dangerously, it appears from his testimony that Gen. Haig wants to bring Pakistan and Turkey into what he calls 'strategic consensus' among regional States from Pakistan in the east to Egypt in the west. Ever since President Carter threw his 400-million dollar

bait which Gen. Ziaul Haq refused most sensibly to bite, and dismissed the offer as peanuts, Pakistan has apparently not reacted any too warmly to the new American overtures. Gen. Ziaul Haq has so far tended to keep his options open but wasn't it said somewhere that those who do so are ultimately left with no option?

There always is only one safe option in any given set of circumstances which can easily be discovered through a process of elimination. For instance, Pakistan has no option but to live in peace and harmony with its neighbours. Any other course will assuredly lead to disaster. Again, this country has no option but to follow strictly a policy of non-alignment. Any involvement of the type Secretary Haig has in mind for us and for other regional States will certainly lead us down the precipice.

Pakistan has no option but to change the abominable status quo in the light of the guiding principles laid down by its founding fathers. We cannot claim to be an Islamic polity for as long as even a single family starves or for as long as even a single able-bodied person remains without gainful employment.

We have no option but to declare now and for ever that Pakistan is an area of special concern for no one except the people of Pakistan. It took us 30 years to realise that safety and self-respect lay in non-alignment and by remaining in the mainstream of Third World politics rather than in military pacts. It now remains for us to renounce, today and forever, the exploitative economic structure inherited by us from the British. Islam and injustice are antonyms; they cannot coexist. As Hazrat Ali puts it: a State founded on irreligion may last awhile but a State founded on injustice is bound to perish.

We have digressed from our area of immediate concern because these lines are being written on March 23—the day we celebrate every year as Pakistan Day. The Quaid had envisioned Pakistan as a democratic polity

And when he used the famous words 'peace within and peace without', he had clearly and succinctly outlined a foreign policy based on peaceful coexistence and an internal economic order free of exploitation of man by man. Or is there any other way of achieving peace within and peace without?

The present regime has, by and large, followed a policy of non-alignment and of peaceful coexistence and this has won it some respect abroad in spite of its military character. Internally, Gen. Ziaul Haq maintains that general elections at this juncture would be 'suicidal'. This is a view with which one may or may not agree. Nevertheless, if Martial Law is a political inevitability why can't it be an economic inevitability? If this is too dangerous a time to leave politics in the hands of politicians, how does it become advisable to let the economic free for all continue? Why can't there be an economic martial

law? Why can't the smuggler, the hoarder, the black-marketeer, the *kharkar*, the *thekedar*, the adulterer, the market manipulator, the exploiter of human labour, the dope-peddler, the commission agent, the *arhti*, the parasitic middleman, the corrupt public servant, the tax-evader, the conspicuous consumer, the wastrel and the malingerer be punished as drastically as the political mischief-maker?

economic crimes are far more dangerous than political misdemeanour because the latter is, after all, born out of the former.

In this country, each government has eventually been brought down by the bureaucracy because, immune from accountability to representative institutions, the public servants abuse their authority with impunity and weave a web of ignorance around their superiors by suppressing general discontent through sub *achha* reports as they used to do in the days of the Raj. The same is true of the situation today. The bureaucracy has made a mockery of the local government experiment.

Or have we forgotten Ayub Khan and his 80,000 'basic democrats'? Eventually, these very 'basic democrats' brought him down just as the Muslim League's workers brought their own party into disrepute soon after independence by committing every economic offence under the sun.

Across the border, Mrs. Gandhi's Emergency powers in the last years of her first term in office were directed more against economic crimes than anything else and when she came down upon those who were operating an economy within an economy, the champions of 'free enterprise' saw to it that she

paid through her nose for her temerity. That is why, in the first year of her second term, she has been more tolerant of the old thugs. There are indications, however, that the lady may yet again be at the point of losing her patience. Didn't she say in a recent interview that such 'free' institutions as banking and the judiciary served to maintain the status quo? Having realised this, will she have the courage to do something to rectify the situation? That's her business. Here in this country, the last regime was brought down by the bazar. So in the South Asian context, it pays to keep the bazar happy and the easiest way of so doing is to allow it to continue to make untaxed and unearned profits. Add the bureaucracy to the bazar and throw in a dozen professional bandits for good measure and you have a complete picture of how things operate in South Asia, parliament or no parliament, martial law or no martial law. Of all the South Asian countries, however, Pakistan has the best chance of shattering this unholy alliance because it has the strongest (literally) government in the region. It has been unable to do so because the bureaucracy, true to its traditional character, is playing the wrecker from within and because its foreign advisers are advocating for Pakistan the form of free enterprise which has become obsolete even in the West. As we have said, Gen. Ziaul Haq's Government has some achievements to its credit in the field of foreign affairs, the most outstanding of them being his refusal (so far) to walk into the American parlour.

To our rich oil-producing neighbours we have only one submission to make. They have, unfortunately, not learnt any lesson from the terrible fate that befell the Shah of Iran. He sacrificed most of his country's non-renewable oil billions at the altar of his own megalomania. What Iran made out of oil was pumped right back into the Western economy in the shape of outright deposits of surplus wealth and through massive purchases of arms. But when his own people rose against him, not all his guns could save him and today, his entire arsenal is nothing but a junkyard of weaponry which is either obsolete or inoperative for want of spare parts the Americans have withheld. Now the United States is trying to repeat the lucrative Iranian experiment by trying to thrash out a 'strategic consensus' among States in this region. There is urgent need for such a 'strategic consensus' but not in the manner Gen. Haig wants it. Regional States must indeed get together and examine the options before them. If they do so, they will realise soon enough that they have no option but to remain strictly out of all military alignments. Heads of States in this region do not have to be extra-intelligent to realise that no amount of military purchases from the West can assure their sovereignty and integrity. The whole world wants the Gulf waterways open and free to all flags. This can be done without American military presence in the region or the acquisition of large arsenals by small Arab armies. The Gulf States require economic rather than military strength. Once they allow one super-Power to come in militarily, they would have entered its sphere of influence,

EXPORT EARNINGS PASS 26 BILLION RUPEES

Karachi DAWN in English 3 Apr 81 p 12

[Text] Faisalabad, April 2: Pakistan has crossed the target of export earning fixed at Rs. 2,600 crores. This was disclosed by Mr. Izharul Haq, Federal Secretary for Commerce, here yesterday.

Mr Haq hoped that our export trade would be three times more this year than during the last three years.

Addressing members of the Faisalabad Chambers of Commerce and Industries, the Commerce Secretary said we surpassed the exports target with the active cooperation of the business community, especially the exporters who are extending their whole-hearted support to the Government. He stressed upon the business community and mill owners to boost up their industrial and commercial production so that the country's dependence on imports could be minimised.

Explaining in detail the aims and objects of the import policy, the Commerce Secretary said in future the Government would allow the import of only essential articles and all luxurious goods would be banned. He said one half of our total import bill was being spent on the import of four major items viz, petroleum products, fertilizers, edible oil and wheat. The Government was doing its utmost to curtail the imports and thus save valuable foreign exchange which was being spent on the import of other items, he added.

Continuing Mr. Izharul Haq said the Government was determined to import negligible quantity of essential goods from outer countries and trying its level best to get self-sufficiency in all spheres.

Regarding the import of free-list items, the Commerce Secretary said all offices of Controllers of Imports and Exports in the country have been directed to issue import licences within 24 hours to concerned persons who were willing to import goods placed on the free-list. He said the procedure for the import of raw materials had also been simplified to meet the deficit in trade and to enable the trading community to import the raw materials in any quantity. They needed to run their industries smoothly and to manufacture exportable goods in large quantity.

Regarding concessions allowed to exporters, the Commerce Secretary said the mill-owners had been allowed to import even banned items, including machinery and spare

parts worth not over Rs 25 lakhs without payment of import duty. He added the Government has also allowed compensatory rebate ranging from 7 to 12 per cent on export of articles. He advised the industrialists to export ready-made goods to foreign countries instead of exporting raw items.

Continuing, the Commerce Secretary said the Government would give more concessions on export of "new items" instead of shipping traditional goods. He advised the businessmen that there was immense scope for the export of non-traditional goods like engineering articles. He said the African countries could prove to be big centres for the export of Pakistani goods. He stressed upon the exporters to search new markets.

In reply to a question the Commerce Secretary said those exporters sending sub-standard goods would be penalised but before trial in a court of law, their cases would be referred to "Dispute Settlement Cell" of the Export Promotion Bureau.

In reply to another question, he said as much as 480 industrial units had unauthorisedly been set up in the country. He said survey of these units was near completion and necessary steps would be taken in the light of the report received.

Concluding his speech, the Commerce Secretary said the Government has decided to minimise the role of the TCP regarding imports in the private sector and its powers would be rationalised.

CSO: 4220

PAKISTAN

PAKISTAN NOW 2ND AMONG COTTON EXPORTING NATIONS

Karachi DAWN in English 8 Apr 81 p 1

[Text] Pakistan shipped 16.57 lakh bales of cotton valued at 453 million dollars during the first nine months of the current fiscal year and thus has become the second leading cotton exporter in the world.

This was stated by Mr Nusrat Hasan, Chairman, Cotton Export Corporation (CEC), in an interview yesterday.

The CEC chief said the target fixed for the whole year had been exceeded and cotton thus emerged as the largest foreign exchange earner for the country.

Mr Nusrat said that the CEC had achieved this remarkable feat in spite of recessionary year and lack of demand of cotton due to slump in the textile industry in the world.

The major buyers were China, Japan, Bangladesh and Hong Kong.

Mr Nusrat said that the CEC was exporting cotton to about 40 countries and had tapped new market including South Korea, Sri Lanka, Malaysia, Taiwan, Portugal, Philippines, Algeria, Tunisia and other European countries.

He said that the CEC has so far paid RS 42 crore export duties to the Government during the current financial year.

The Chairman said that in order to boost the export of cotton further, the CEC was opening a regional office for the Far East at Hong Kong. It would start functioning within a year.

CSO: 4220

FOREIGN GOODS, LIQUOR SEIZED

Karachi DAWN in English 8 Apr 81 p 16

[Text] The Anti-Smuggling and Rummaging staff of the Preventive Collectorate have seized 260 kilograms of silver ingots, a sail-boat, a pick-up, 511 bottles of foreign liquor and a huge quantity of VCRs, tape-recorders, ready-made garments and other electric appliances worth about Rs. 100 million in three separate raids.

Eight launches carrying 2,838 bales containing these goods were seized from the Port area.

The contraband goods were declared as Iranian goods in transit through Pakistan.

It may be pointed out that currently all imports are being handled by the public sector in Iran and the Iranian Government had imposed a total ban on five items--VCRs. Cassette-recorders, playing cards, readymade garments and TV sets.

Barring the 300-mile long coastline along which the Iran-Iraq is being fought, the major ports of Bandar Abbas and Chah Bahar, are themselves handling the incoming and outgoing cargo in Iran.

However, Mr Shuja Shah, Assistant Collector (Anti-Smuggling) and Mr Abdul Waheed Khan (Rummaging) are heading teams of Customs Officers which are carrying out thorough investigations.

In another raid, the Anti-Smuggling staff seized a sail-boat and a pick-up carrying 511 bottles of foreign liquor from the Ibrahim Haideri area, about 15 kilometres from Karachi.

In yet another raid on a warehouse, off Tariq Road, the Customs staff seized 268 kilograms of silver ingots. An employee of the warehouse, Mr Mehmood, was arrested. Further investigations are in progress.

CSO: 4220

SEVENTY-NINE TENTED PRIMARY SCHOOLS IN AFGHAN REFUGEE VILLAGES

Quetta BALUCHISTAN TIMES in English 21 Mar 81 p 1

[Text] Under an initial education programme, 79 tented Primary schools have been set up in Afghan Refugees villages in the NWFP and Baluchistan for providing basic education and religious instruction to refugees children. [as published]

Facilities for admission in regular schools are also being provided to the Afghan Refugees children. [as published]

Radio Pakistan's Representative says since Afghan refugee leaders place a higher priority on the provision of religious instruction the curriculum has been designed to meet these requirements. [as published] In some refugee villages religious oriented schols have been set up in Mosjues to provide elementary education. [as published]

More primary schools including a few exclusively for girls are also planted to be opened. [as published]

Assistance in receiving education is also being provided to needy Afghan refugee students to enable them to continue their studies disrupted because of conditions in Afghanistan. Las year 12 Afghan students were provided admission in Medicine Dentestiry Pharmacy and Engineering. [as published]

CSO: 4220

NORWAY TEAM DISCUSSES SELF-HELP PLANS FOR AFGHAN DP'S

Quetta BALUCHISTAN TIMES in English 27 Mar 81 p 1

[Text] A team from Norway has arrived in Quetta to discuss measures for economic rehabilitation of Afghan Refugees living in tentage villages on humanitarian grounds in Baluchistan. [as published]

The team called on the Provincial Governor Lt. General Rahim Uddin Khan in Quetta today and discussed with him measures for the implementation of self-reliance schemes for Afghan Refugees in the Province. [as published] The team included Special Advisor to the Ministry of Foreign Affairs on Refugees and Disaster, Norway, Mr. Thomasm, Professor Aresvic Representative of Refugees Council Norway, and Norway's Ambassador to Pakistan Mr & Sevenvic. [as published]

Later the team also discussed with Povincial Additional Chief Secretary, Planning and Development and Commissioner Afghan Refugees in Quetta, measures to better conditions of living for Afghan Refugees in the province. [as published]

Meanwhile a spokesman of UNCHR told that the Commission was spending this year about 18 million U.S. dolalrs on the up keep of over 3,35,000 Afghan Refugees living in about 34 tenetage villages in Baluchistan--APP. [as published]

CSO: 4220

NATIONAL TANKER COMPANY TO BE FORMED

Karachi BUSINESS RECORDER in English 22 Mar 81 p 1

[Text]

Arrangements for the formation of a joint national tanker company with equity participation of PNSC and National Refinery Ltd. are underway, according to the annual report of the PNSC for the year ended June 1980.

It is expected that the proposed tanker company will be formed soon and suitable tanker will be acquired for the shipment of the crude oil requirements of the country.

The report said the Corporation received three out of the 19 general purpose cargo vessels ordered under its ship replacement programme, namely, Mardan, Sargodha and Malakand during the year. The first named from Denmark and the other two from Japan. Since then deliveries of the remaining four vessels from Japan have been taken and it is expected that deliveries of all the three vessels ordered at the British shipyard and one

vessel out of the eight being constructed in Poland will be made by the end of the current financial year.

The report said that with a view to improving the operating efficiency of the fleet, the old and uneconomical vessels are being scrapped under a phased programme. Two vessels, namely, Ocean Energy and Al Murtaza were disposed off during the year. Performance of the other old vessels is under constant review.

Reviewing the financial situation for the year, the report said Corporations freight income rose to over Rs. 1084 million.

At the same time, the direct operating expenses, such as bunker and canal dues, repair costs etc. increased out of proportion over the year. Bunker costs alone went up by over 60 per cent in 1979-80. Another item of unavoidable expenditure was interest on borrowings.

That the Corporations operating net profit was Rs. 25.99 million and the Corporation decided to pay a dividend at the rate of 13 per cent.—FPI

CSO: 4220

SIND PREPARING 5-YEAR MINERAL DEVELOPMENT PLAN

Karachi DAWN in English 4 Apr 81 p 8

[Text] The Mineral Development Directorate of Sind is being strengthened on the directive of the Sind Governor, Lt-Gen. S. M. Abbasi, for a better control of mining activities in the province, it is officially learnt.

A five-year plan for the scientific evaluation and exploitation of mineral resources of the province is being prepared with special emphasis on the development of mineral potential of Thana Bula Khan area where important minerals like coal, celestite, marble and silica sand are known to exist in economic quantities.

The improvement of road from Super Highway to Thana Bula Khan will be a part of the proposed plan.

Sind province has economical deposits of a number of sedimentary minerals which can meet raw material requirements of the industries like cement, glass, chemical, etc.

The feasibility of exploiting Lakhra coal field, largest in the country, for power generation has been established through studies carried out by the Pakistan Mineral Development Corporation (PMDC) with the help of foreign experts and the plan has been approved. Now WAPDA and PMDC will prepare the thermal power project. The field has deposits large enough to sustain a thermal power station of 300 megawatt capacity.--APP.

CSO: 4220

NEW COPPER DEPOSITS FOUND IN BALUCHISTAN

Karachi DAWN in English 3 Apr 81 p 8

[Text] Quetta, April 2: Copper deposits believed to be in huge quantity have been discovered in four other areas in districts of Chagai and Lasbela in Baluchistan, it was authoritatively learnt here today. Deposits of upto 415 million tons of high quality copper have already been established at Saindak in Chagai district.

New copper bearing areas are stated to be located at Koh-i-Dalil and Dasht-i-Kain in Chagai district and Ann-Dhero and Saap-Dhero in Lasbela district.

The Geological Survey of Pakistan with UNDP assistance of Rs. 6 million has started carrying out study and evaluation of these new deposits.

The Resource Development Corporation has already prepared a programme for producing 15,000 tons of copper, 77,000 tons of steel billets and 1,48,000 tons of sulphuric acid annually from Saindak mines.

Pakistan at present spends about Rs. 140 million on import of copper for meeting its requirements and it is hoped that development Saindak deposits and discovery of new deposits would help a great deal in not only making country self-sufficient in copper for domestic consumption but would also help earn foreign exchange through its export. [as published]

CSO: 4220

COAL FIRED POWER STATIONS LIKELY

Karachi MORNING NEWS in English 7 Apr 81 p 8

[Text] Quetta, April 6: Coal fired power stations in Baluchistan are proposed to be set up to make best use of coal available in the province and to save other sources of energy.

Official sources said in Quetta yesterday that a team from the People's Republic of China had already carried out a feasibility study for the setting up of such coal fired power stations at suitable places. Initially, it has recommended the setting up of 30 MW thermal power station in Dukki area, of Loralai district, where 230 million tonnes of coal deposits are available in the vicinity.

The WAPDA has also prepared a proposal for the survey and feasibility study for coal fired power stations in the province.

Some possible finance for the study from the Asian Development Bank is also expected.

At present only .7 million tonnes of available coal reserves are annually produced in the province.

CSO: 4220

POSITIVE RESULTS OF WATER SURVEY IN BALUCHISTAN

Karachi DAWN in English 4 Apr 81 p 3

[Text] Quetta, April 3: Survey for ground water investigation-cum-development has been completed in all the valleys of Baluchistan in the north and a few valleys in the south to pinpoint water points for increased agricultural and industrial production.

An official spokesman said here yesterday that the availability of ground water had been established in most of these valleys. At present 820 test holes are being dug 50 per cent of which would be converted into tubewells. More than 50 per cent of work had been completed while the remaining work would take about two years to complete he added.

He said the survey had been jointly undertaken by WAPDA with UNDP assistance over an area of 25,000 square miles at an estimated cost of Rs. 338 million.

CSO: 4220

SMUGGLED GOODS WORTH 1 MILLION RS SEIZED

Karachi DAWN in English 7 Apr 81 p 8

[Text] Contraband goods, including semi-precious stones, artificial jewellery and perfume valued at over Rs. one million were seized by the Customs staff of the Preventive Collectorate in three different raids, Customs said yesterday. [as published]

The staff of Customs Special Checking Squad intercepted a passenger Anwar Saeed Anwar who arrived from London. He attracted Customs men's attention as he looked nervous and looking for a way out. The staff checked his baggage and recovered 22 packets full of semi-precious stones secreted in his briefcase. [as published] The value of the stones is estimated to be Rs. 3,11,000.

The staff also arrested an air passenger Hassan Akbar Ali Merchant for smuggling in artificial jewellery worth Rs. 4,20,800. The passenger landed at Karachi Airport with two suit cases full of the contraband and was attempting to go out of Customs hall by hoodwinking Customs staff on duty. The baggage of the passenger, who arrived from Bangkok was ultimately searched which yielded 53 kilograms of artificial jewellery valued at Rs. 4,20,800.

In the last raid, Customs staff posted at East Wharf recovered and seized 2,387 bottles of costly perfume worth Rs. 2,86,000. These bottles were brought in duly covered by a manifest declaring there-in "personal effects". But for one and a half month nobody came forward to clear these goods and when on suspicion the goods were examined ex-parte, they yielded 2,387 bottles of perfume instead of old and used clothes as declared in the Customs manifest.--APP.

CSO: 4220

SELF-SUFFICIENCY IN WHEAT, SUGAR PRODUCTION ATTAINED

Karachi DAWN in English 4 Apr 81 p 3

[Text] Faisalabad, April 3: Pakistan has attained self-sufficiency in the production of wheat and sugar we hope to become self sufficient in big iron and steel billets within the next few months and the position of fertilizers edible oils and petroleum production would be much better within the next two years. [as published]

This was stated by Federal Secretary Commerce Izharul Haq while addressing the members of the local Chamber of Commerce and Industry here recently. He laid stress on export promotion and increased production.

Earlier the Chamber President apprised him of various problems e.g. trade imbalance formulation of import export bank, yarn imports for silk loom units performance of Pakistani commercial counsellors abroad permission for sale of personal baggage import items Trading Corporation of Pakistan and providing better facilities to the local office of export promotion Bureau that needed more attention. [as published]

In his reply to the address of welcome the Federal Secretary said although the trade imbalance was quite marked yet in view of the import of petroleum products at rates much higher than last year and the import of wheat sugar and fertilizers the deficit was unavoidable. [as published]

He said we had to spend huge amounts of foreign exchange for import of machinery and raw materials. This was so because our major stress was on export promotion and increased production. In this context the Government had resorted to various corrective measures he said. He advised the exporters to scrupulously abide by their export commitments in respect of quality, quantity and time stipulation. He also advised them to switch over to items like fruits Vegetables and engineering goods and explore new markets abroad. [as published]

CSO: 4220

WHEAT PRODUCTION TARGET TO BE MET IN PUNJAB

Karachi DAWN in English 4 Apr 81 p 10

[Text] Lahore, April 3: The overall condition of the wheat crop is fairly promising and the production target of 83.10 lakh metric tons is expected to be achieved in the province. This was revealed in the latest report based on field observations carried out by the Punjab Agriculture Department in the barani and irrigated wheat-growing areas of the province.

According to the report, wheat crop had been sown over 1,23,77,000 acres more than the wheat target of 1.23 crore acres. A total number of 1,10,59,300 acres had been sown under improved varieties of wheat this year in accordance with the recommendations of the Agriculture Extension Service.

Acreage under improved varieties in barani areas increased by 8,000 acres as compared to that of last year. Demonstration plots of about one acre each laid out extensively in the farmer's lands showed better conditions than the fields under indigenous varieties of wheat in the same localities.

As far as diseases were concerned, on the whole, at present no disease was found to pose any threat wheat production. [as published] Heavy but well distributed rains were received in several districts of Punjab which have, as a whole, so far proved beneficial to the wheat crop.

Uptill now, no significant damage to wheat crop by rain and hailstorms had been reported from any part of the province. [as published]

The overall conditions of the wheat crop had remained promising and the production target of 83.10 lakh metric tons was likely to be achieved this year.--APP.

CSO: 4220

RAINS RUIN CROPS IN RAWALPINDI DISTRICT

Islamabad THE MUSLIM in English 23 Mar 81 p 3

[Article by Shahid Butt]

[Text] The amount of rainfall received this year is more than double the seasonal average, and is threatening the wheat harvest in the area.

With still one week to go in the present month, the total precipitation has been over 170 mm., while the average for the period of January-March is 75 mm. January received 97 mm. of rain against an average of 62 mm.

Hail, accompanying the rain on March 7, reportedly destroyed 100 sq. miles of wheat, barley and oilseed crops in Gujar Khan and Kahuta Tehsils of Rawalpindi District. Among the severely affected villages are Devi, Gorsian, Dhoke Phanare, Jattal Jatta, Kani Parhi, Rajwa and Tarkala.

This hail-storm ruined more than 60 per cent of the wheat crop in the area, according to an expert from the Agency for Barani Area Development (ABAD), Rawalpindi. He informed that the rains can be greatly adverse for the 1,800,000 acres of barani (rainfed) wheat in the Rawalpindi area if they are followed by winds, at this stage of ripening.

In an attempt to provide relief to the affected areas and their population, Deputy Commissioner, Rawalpindi, Chaudhry Nazir Ahmad, has asked the Board of Revenue to release Rs. 300,000 in taqavi loans. According to the DC, "the money is in the channel."

Also, wheat from government stocks is being provided to the farmers "until all necessary requirements are fulfilled". Medical cover is being provided for both humans and cattle, Chaudhry Nazir informed.

He has further proposed that a provision providing relief to the farmers on cooperative loans be adopted.

Both the Deputy Commissioner and the ABAD expert felt that even though the inclement weather had adversely affected crops, the national target would still be achieved.

CSO: 4220

COUNTRY SEEN AS FUTURE GRANARY OF MUSLIM WORLD

Karachi BUSINESS RECORDER in English 27 Mar 81 p 2

[Editorial: "For Making Pakistan Granary of Muslim World"]

[Text]

Encouraged by the performance of the last three years, due emphasis is being placed on the development of agriculture in the country. The mistake committed by our planners in the past of neglecting this all-important sector of the economy and concentrating on setting up industries based on not only imported technologies but also on foreign raw materials, has created a lot of uncertainty about our future development plans and robbed us of the freedom of action in almost all walks of life. Besides, the increase in dependence on foreign sources has provided an effective instrument in the hands of the colonial powers to twist our arm and compel us to toe their line of action and help them in widening their area of global influence. However, the realisation on the part of our planners to give up such a development strategy and concentrate on the development of agriculture can

be expected to take us in the right direction. The past policies had converted the food surplus areas which comprised Pakistan, into food deficit areas and we had lost the reputation of being the granary of the sub-continent. We had to resort to large scale imports of foodgrains which consumed a major part of our hard earned foreign exchange. As a result of the policies followed during the last three years, Pakistan almost achieved self-sufficiency in wheat last year. We have had bumper cotton and maize crops. Efforts are being made to increase the production of other agricultural products like cereals, oilseeds, sugarcane, etc. High targets of production for the major crops have been fixed for the next year. These targets would have been termed ambitious a few years back. But now with the changing pattern of our development strategy, these are realistic and can be achieved provided the

weather remains favourable.

This change in emphasis in our development strategy has also opened up vast investment opportunities particularly for the private sector, in rural areas. A number of friendly countries particularly Saudi Arabia and several Gulf states have come out with definite proposals to help us in developing our agriculture with a view to making this country the granary of the Muslim World. But for the achievement of this objective radical changes in the existing system are necessary. Agriculture has got to be developed on the pattern of industry. And for the purpose we have suggested the establishment of agricultural joint stock companies. Such companies should be entitled to own land to the extent of the value of their paid-up capital. For, mechanised or modern farming is not possible on fragmented or small holdings or on the

ceilings fixed by the Government. The Government should consider such proposals seriously and encourage the private sector to set up agricultural companies.

Besides, Pakistanis working abroad can also play an important role by investing in this sector and thereby help in the overall development of the economy. Most of these expatriates belong to the rural areas. They have the necessary knowledge and

background of our agricultural scene. Participation of these Pakistanis would also ensure better returns on their investments if and when they decide to return to their homeland. A number of incentives to these Pakistanis have already been provided in the form of permission for liberal imports of agricultural machinery and other equipment. But using their earnings for the formation of agricultural joint stock companies calls for some

institutional support. Plans are already there to set up investment agencies abroad with the sole objective of mopping up the savings of the expatriates and diverting them into productive channels. Pooling these resources through these agencies and investing them in agricultural sector would go a long way in achieving our ultimate objective of making this country the granary of the Muslim World.

CSO: 4220

BRIEFS

CARPET WEAVING CENTERS--Twenty Carpet Weaving Training-cum-Production Centres have been set up in NWFP and Baluchistan for Afghan Refugees with a view to promoting self-help initiative among them. A number of professional weavers among the Afghan refugees have shown interest in setting up their own business. The construction work on vocational training centres pilot scheme for Afghan refugees at Killa Abdullah in Baluchistan has been completed and is expected to become operational by June this year. [as published] This centre will run courses in carpentry, masonry, leather work and such other vocations. [as published] [Text] [Quetta BALUCHISTAN TIMES in English 21 Mar 81 p 4]

LARGE FOREIGN CURRENCY SEIZURE--The staff of the Directorate of Intelligence and Investigation (Customs and Excise) Karachi seized sterling pounds 15,043 and US dollars 37,500 valued at Rs. 7,25,000 from Shaikh Mohammad Usman, a British national who was leaving for London on Saturday night from Karachi airport. He was arrested before he could be air borne, the accused is alleged to have been employed by different parties in Pakistan to carry foreign currency for deposit in their accounts abroad. [as published] This is the fourth big seizure of foreign/Pakistani currency affected during the current fortnight in which Pak and foreign currency valued at Rs. 30,00,000 has been seized by the directorate of intelligence and investigation (Customs and Excise). Further investigations are in progress and more arrests are likely.--APP. [Text] [Karachi BUSINESS RECORDER in English 30 Mar 81 p 5]

AFGHAN TRADE-IN-TRANSIT--According to the figures compiled by Statistics Division Karachi, Afghanistan's foreign trade intransit through Pakistan during the quarter October-December, 1980 amounted to Rs. 401.2 million (export Rs. 31.3 million and imports Rs. 369.9 million) as compared to Rs. 254.1 million in the preceding quarter (export Rs. 22.9 million and imports Rs. 231.2 million). The principal items of export were fruits (fresh and dried), (Rs. 22.5 million) and carpets and rugs (Rs. 7.2 million). The principal items of imports were tea (Rs. 22.5 million), rubber manufacturers (Rs. 71.7 million), hydrogenated oil (Rs. 57.7 million), cotton piece goods (Rs. 31.4 million) and artificial silk yarn (Rs. 15.2 million), vehicles and parts (Rs. 9.4 million) and clothing (including SHC) (Rs. 8.8 million). [Text] [Karachi BUSINESS RECORDER in English 21 Mar 81 p 17]

GOVERNMENT TRYING TO KEEP COOPERATIVE MOVEMENT ALIVE

Kuala Lumpur BUSINESS TIMES in English 3 Feb 81 p 6

[Article by Adlai J. Amor in Manila]

[Excerpts]

THE Philippine government is consolidating its cooperatives development programme to prevent its total collapse.

The government is banking on cooperatives as one of the important means of redistributing national wealth especially since it starts from the grassroots level. The current programme, started in 1973, is one of the many attempts since the 1900s to harness the economic potential of ordinary citizens.

It readily cites impressive statistics indicating the progress of cooperatives in the Philippines: There are now 31,338 Samahang Nayon (grassroots cooperatives) — virtually covering all the villages of the country — with over one million members. It has total funds amounting to 97 million pesos (US\$13.3 million).

There is a total of 2,372 Kilusang Bayan (full-plledged cooperatives) registered with the government. (Ten Samahang Nayon can form a Kilusang Bayan). The bulk of these, however are old cooperatives which re-registered with the government at the start of the 1973 cooperatives development programme.

In turn, these cooperatives have organised 42 operational area marketing cooperatives which cover all the provinces. Their total sales for 1979 reached 67 million pesos (US\$9 million).

Some 32 cooperative rural banks with a combined paid-up capital of 36 million pesos (US\$5.8 million) have been organised. They have also established their own insur-

ance system, a national marketing agency and a federation of cooperatives in the Philippines.

These statistics, however, belie the fact that successful cooperatives are more of an exception than the rule. Most, if not all, suffer from managerial incompetence, public apathy, lack of financial support, financial anomalies and weak marketing strategies.

A professor at the University of the Philippines, Emmanuel Velasco, said that not more than 30 per cent of cooperatives are still alive. "Except for a few, many of the survivors are faltering and may not last long," Professor Velasco said.

While acknowledging these problems, the director of the Bureau of Cooperatives Development, Clemente Terso, Jr., hesitates to say that the cooperatives development programme has failed just as similar programmes in the past did.

"Those who realise the difficulty in establishing cooperatives will agree that we have been quite successful," Mr Terso said. The support structures — a loan fund, educational programmes and others — have been established and what remains now is for the government to consolidate its gains.

Hardly has the government started to consolidate its gains when the cooperatives industry was rocked by alleged anomalies in its Cooperative Development Loan Fund (CDLF). The CDLF primarily funds the area marketing cooperatives giving rise to

charges that it favours agricultural cooperatives to the detriment of others.

The case, which involves the country's leading cooperatives proponents, is now being investigated by the government's anti-graft and corruption officials. Although cooperative members say that it will not very much affect their operations, the cooperatives industry seems visibly stunned.

But whatever "success" has been claimed by the cooperatives did not prevent the suspension of the formation of new cooperatives in the Philippines late last year — after the revelations about the alleged CDLF anomalies. Agriculture Minister Arturo Tanco, who oversees cooperatives development, said only cooperatives which promise success will be given new funding.

"Our immediate concern now is to stop organising cooperatives and make sure we have viable Samahang Nayons and area marketing cooperatives," said Minister Tanco.

The most unsuccessful cooperatives in the eight-year-old programme are the area marketing cooperatives (AMC). More than 50 per cent of the 42 operating AMCs incurred losses amounting to more than 2.6 million pesos (US\$350,000). The successful AMCs made only less than 600,000 pesos (US\$94,500) for the same year.

These AMCs are funded through loans from the CDLF which now has an investment portfolio of 77 million

pesos (US\$10.5 million). Originally, the loans to the AMCs mature within 180 days. However, since most of the AMCs failed to meet their payments, the loans had to be restructured for five years.

Yet, the success of the entire cooperatives development programme of the Philippines hinges on these AMCs. For, without a marketing outlet, the farmers will still be under the mercy of the middlemen.

With the AMCs, at least the number of middlemen intervening between the farmer and the buyer — the government estimates at least seven middlemen in the process — can at least be reduced.

As part of the programme, the government envisioned the establishment of a chain of superpalengkes (supermarkets) which would be the retail outlets of the area marketing cooperatives. About five were established but now, only one is operating.

"The cost of superpalengkes is quite high — something like 50 million pesos (US\$6.8 million) initially," said Cooperatives Director Terso. He added that these are now being replaced with the creation of market vendor cooperatives which will handle the retail needs of AMCs.

Mr Terso, however, stressed that while some cooperatives failed, there is an unquantifiable social value which has been that of cohesiveness. "I do not believe that if a cooperative is an economic failure, it is also a social failure," — DepEd

POWER CUTBACKS PLAGUE MANILA BUSINESS, INDUSTRIAL SECTORS

Kuala Lumpur BUSINESS TIMES in English 16 Feb 81 p 6

[Article by Daniel Asuncion in Manila]

[Excerpts]

BUSINESSMEN. Industrialists and bankers bitterly complained in early February to Metro Manila Governor Imelda Marcos that frequent power failures — popularly known as brownouts — are ruining their business.

Last year, the government-owned National Power Corporation (NPC) estimated a total 115.2 hours of brownouts, which resulted in a 1.4 billion peso (US\$186 million) loss to Philippine industry. According to world standards, the ideal brownout situation is only 5.8 hours annually.

But businessmen agree that industry lost more than this, considering inferior products, waste in materials and equipment breakage due to brownouts.

Even the Government itself lost about 421 million pesos (US\$56 million) in income tax revenues, said a study commissioned by the American Chamber of Commerce in the Philippines.

The businessmen proposed that instead of the two-hour daily brownouts, there should be a weekly 24-hour brownout so that companies can be assured of six days without any power interruption.

Mrs Marcos, who said that Metro Manila's power problems won't ease until 1984, then or-

dered the National Power Corporation to prepare a monthly schedule of brownouts so that companies can programme their activities accordingly.

In Metro Manila and its environs, where the country's industrial sector is concentrated, two entities are responsible for serving the power needs of the public: the National Power Corporation and the Manila Electric Company (MERALCO).

In 1978, MERALCO, unable to cope with the rising cost of imported oil and the deteriorating conditions of power plants, decided to sell its power plants to NPC.

Since then, NPC supplied all electric power while MERALCO took charge in distributing current to customers in Metro Manila.

Sources say that the oil-fired thermal units which NPC bought from MERALCO — which are supposed to generate most of NPC's power supply — are the ones causing the trouble. Their unpredictable breakdowns make it difficult to schedule brownouts.

The NPC explains that brownouts are due mainly to the inability of power plants to generate electricity at their rated capacities, the abnormal frequency of equipment failures, and the time

needed to do repairs and procure spare parts from abroad.

Presently, NPC's power plants have a 3,224 megawatts (MW) capacity. It is broken down as follows: 2,230 MW from ten thermal plants; 554 MW from seven hydroelectric plants; and 440 MW from two geothermal plants.

Jose U. Jovellanos, NPC's senior vice president, says: "Given a breakdown-free system, NPC's capacity to generate 3,224 MW is more than enough to meet the present needs of consumers."

For 1981, a 200 million peso (US\$27 million) budget has been allocated for repairs and overhauling of the plants. With this, an estimated 75 per cent of rehabilitation work will have been done this year, he adds.

Recognising the ill-effects of brownouts, NPC expresses hope in the completion of its ongoing projects in geothermal, coal-fired, hydroelectric and nuclear power plants.

When completed and in operation, in 1983 at most, these plants will add about 1,702 MW to NPC's Luzon power grid.

On the other hand, Francisco de Leon of MERALCO says that for them, brownouts occur when there is lack of power supply from NPC's plants or when some of their lines get busted or are undergoing repairs.

There are certain priorities in the scheduling of brownouts, he explains.

Industrial areas have to suffer the least of brownouts as they contribute much to national economy and lose so much if power interruptions are resorted to.

Next is the commercial sector of the community where department stores, supermarkets and large business establishments are located.

Last are residential areas. "It is a pity that households suffer the brunt of brownouts," says Mr de Leon, "but it must be understood that they contribute less income to the economy."

He adds that a five-year programme to upgrade MERALCO's transmission and distribution system has been started. The 2-billion-peso (US\$267 million) programme includes the construction of additional lines to relieve critically loaded lines as a result of the expanded use of electricity in some areas.

Last year, however, consumers had 115.2 hours of brownouts — 8.4 hours less than the 123.6 hours in 1979. But for industries, NPC says it will strive to come up with only 24.8 hours of brownouts for the whole of 1981. — Depthnews Special

ZONING PLAN FOR MANILA AREA APPROVED

Manila BULLETIN TODAY in English 25 Mar 81 pp 1, 10

[Text] First Lady and Metro Manila Gov. Imelda R. Marcos has approved a new zoning ordinance that would "guide and control the future growth and development" of the metropolitan area.

An announcement of the approval was made by Nathaniel von Einsiedel, Metro Manila planning commissioner.

The ordinance, Einsiedel said, would regulate the location and use of buildings and lands in Metro Manila to prevent overcrowding, inconvenience and discomfort among its residents.

"It shall guide and control the future growth and development in the metropolitan area according to the land used and structure plans prepared by the Metro Manila commission's office of the commissioner for planning," Einsiedel said.

It was explained that the zoning ordinance divided the cities and municipalities of Metro Manila into major zones "according to predominant use, comfort and convenience for the people, and environmental considerations. [as published]"

The major zones included residential zones, commercial zones, and industrial zones. Each is classified further into two or more categories.

Residential zones, for instance, are classed into low, medium and high density neighborhoods, while commercial zones into minor, major and metropolitan commercial areas.

Industrial zones are divided into pollutive and hazardous, and nonpollutive and non-hazardous segments.

Meanwhile the MMC took measures to strengthen the development planning capabilities of its local government units.

Einsiedel said the measures were meant "to rationalize and accelerate the implementation of the different development programs and projects in the metropolitan area."

He said that local governments must be fully involved in the implementation, maintenance, and planning of development projects.

He said such projects should be made more meaningful and responsive to local needs and problems, adding that the presence of strong local planning bodies will help identify needs.

The bodies can also help synchronize implementation of projects and help save the MMC from undue financial losses due to poor coordination in project planning, implementation and maintenance, Einsiedel said.

Einsiedel indicated he intended to involve not only the local government officials but also the barangays in strengthening the planning outfits of local government units. [as published]

He added there was need to change the paternal attitude of the people toward the government. He also stressed the role of the media in effecting such a change.

CSO: 4220

IMELDA MARCOS HEADS TRAFFIC MANAGEMENT BODY

Manila BULLETIN TODAY in English 30 Mar 81 pp 1, 9

[Article by Brenda Tuazon]

[Text] The First Lady, and Metro Manila Gov. Imelda R. Marcos will head the traffic management authority to integrate into one single body the functions of all traffic administration in the metropolis.

Tranquillino Atienza, head of the government's traffic engineering team, said the integration will swing into action PD 1263 which created the Metro Manila traffic authority sometime back.

It was created by the President immediately after the establishment of the Metro Manila commission to oversee the planning and implementation of all urban traffic activities in the four cities and 13 towns of the metropolis.

Atienza said the TMA will lump together all functions of all government agencies charged with traffic control under the supervision of the First Lady.

He said the TMA will effectively umbrella all traffic control offices to carry out government policies in relation to all roads, streets and other public areas used by traffic as is being done now in some of Metro Manila's principal corridors.

He cited as examples the D. Tuazon-Espana stretch, Taft avenue and the East Avenue-E. de los Santos intersection in Quezon city.

The First Lady will be assisted by Minister of Public Highways Jesus Hipolito, Minister of Transportation and Communications, Jose P. Dans, Jr. MMC Vice-Gov. Ismael A. Mathay, Jr., PC Metrocom chief Brig. Gen. Prospero Olivas and Atienza, comprise the steering committee.

The new traffic management authority calls for a departure from the traditional road-building solution to urban traffic problems relying heavily on costly infrastructure programs to increase road space.

The committee said that Metro Manila's traffic condition is not related to lack of road space but more on the poorly-timed existing traffic signals.

So far, brand-new computerized traffic signals have been installed in some of Metro Manila's major thoroughfares giving way to a more disciplined flow of traffic.

The lack of a central traffic administration to direct traffic policies was cited by the committee as having complicated the traffic situation in Metro Manila.

As a result, the committee pointed out, traffic problems are being attended to and resolved on locational basis by a large number of agencies, committees and other ad-hoc bodies resulting in conflicting directions and overlapping of functions.

The new approach will now undertake less costly solutions to traffic problems by making maximum use of existing road space through modern engineering and management methods, and of course, traffic education among motorists and pedestrians, as well.

C80: 4220

SOYBEANS MAY BE NEW SOURCE OF LOW-COST PROTEIN

Manila BULLETIN TODAY in English 26 Mar 81 p 19

[Text] Much has been said about protein deficiency in a typical Filipino diet. And yet, very few make a move to correct it. This is largely due to the fact that the price of meat, which is the traditional source of protein, has gone up to a level way beyond the average family's budget.

The President's recent approval to increase the retail prices of milk, eggs, chicken and meat has made the low-income group turn to other sources of protein that can meet their dietary and cost requirements. For this reason, food scientists have tapped soybeans as the number one alternative protein source with greatest potentials for expansion in human diets.

Along with fish and beef, soybeans have become one of the world's main sources of high quality, low-cost protein. Various soyfoods contain more protein by weight than meats, cheese, fish and animal products.

Because of soybeans' remarkable versatility, countless generations of farmers, craftspeople and cooks from all over the world have engaged in a vast experiment to find the best ways of transforming soybeans into delicious high-protein food.

The latest, and perhaps the best, breakthrough in the utilization of soybeans as a protein source is "vegemeat" or textured vegetable protein (TVP). It is a generic name given to a product made of soybeans but processed to resemble real meat physically. With all the primary characteristics of real meat--in taste, texture and nutritional content--TVP has become a low-cost meat extender which is of great value among meat processors, restaurant and canteen operators, and other food establishments.

Anticipating increased local demand for soy protein products, specifically TVP, Phil-Asia Food Industries corp. is presently putting up the largest soybean processing plant in Southeast Asia in Tabangao, Batangas. This project is calculated to meet one's daily food requirement at a lower price.

CSO: 4220

CASH BONUSES FOR VOLUNTARY STERILIZATION

Kuala Lumpur BUSINESS TIMES in English 28 Jan 81 p 19

[Article by Mallika Wanigasundara in Colombo]

[Text]

UNDER a new incentives system which became effective last Jan. 1, financial assistance in the form of cash bonuses and additional leave privileges will be given to Sri Lankans who undergo voluntary sterilisation.

The scheme, which was prepared by the Ministry of Plan Implementation, covers all employees in both the private and public sectors. A new aspect in the plan, however, which promises to make it more effective entitles unemployed married persons to the same financial benefits. Before the new system was offered, unemployed people were not covered by any of the incentives programmes either in private firms or public corporations.

Now, employees will be entitled to seven days leave with full pay for a tubectomy and three days with full pay for a vasectomy. This is in addition to the normal leave privileges that employees enjoy.

Each person who goes through a vasectomy or tubectomy gets an outright cash aid of 100 rupees (US\$8.80). The operation will be entirely voluntary and no compulsion whatsoever will be imposed. Government agents who are the ad-

ministrative officers in charge of districts are implementing the new programme.

The incentives system has been practised in Sri Lanka for some time, both the private and public sectors has introduced their own individual schemes to discourage large families. There is no uniformity in benefits payments, however. Thirty-five public corporations have their own programmes to attract family planning acceptors.

They offer payments ranging from 25 to 500 rupees (US\$1.60 to US\$22) on a case-to-case basis.

There are, however, others that pay less, something like 30 rupees (US\$1.95) for a vasectomy. There are even some which give no incentive at all. The new government incentives plan thus comes as a welcome boon to them.

Doctors, nurses, midwives and even attendants have been given incentive allowances for every sterilisation over and above a specified number of operations one in hospitals. But the response has been noticeably slow.

In 1974 one of the programmes a most suc-

cessful years, 42,000 operations were performed. In 1978 the figure had dropped to only 30,000. In 1977, 4,000 women demanded sterilisation but no operation was carried out on them; in 1978 some 800 had to remain on the waiting list.

The reason for this was the lack of surgeons, anaesthetists and clinical facilities. The exodus of doctors to the West has been one of the prime reasons for this situation. Even routine medical services could not be provided, not only in the provincial hospitals but also even in the big hospitals in Colombo. This is the major reason why Sri Lanka had to "import" UN doctors.

This impasse has been disastrous for the country's population control programme. A study by the World Fertility Survey (WFS) and other investigations have shown that the majority of women (60 per cent) who already have two children do not want to add any more to them. This is irrespective of the sex composition of their families.

But it has been found that large numbers of women are not using contraceptives even though they wish to do so. One of

the major findings of the WFS is that the use of modern contraceptive methods was low when compared with the level of knowledge or with the desire not to have any more children.

The survey has also shown that by the age of 30 most women have at least three children or more. These form about 80 per cent. They will have at least nineteen years of fertility ahead of them. The most beneficial way out for them, at the lowest cost, would be sterilisation.

This is what the Government hopes to do by a more vigorous campaign. Sri Lanka has no reason to be complacent, even though for a poor Asian country there has been some encouraging breakthrough in the population field.

There has also been a decline in fertility rates. They have been dropping at about six per cent a year. This has been attributed mainly to family planning.

There is also a stated preference for small families. This is all very well, but Sri Lanka produces about 1,000 babies a day. In 1978 there were 300,000 children under the age of one. — Depthnews Special.

ROLE OF SENATE IN POLITICS DISCUSSED

Bangkok SIAM RAT in Thai 19 Feb 81 p 5

[Article by Khanin Dunsuwan: "The Role of the Senate In an Imperfect Democracy"]

[Text] On 22 April, which is only 2 months away, our [present] parliament, which is composed of the Senate and the House of People's Representatives, will be 2 years old.

The House of People's Representatives does not have any problems and, unless complications arise beforehand, the members should be able to complete their 4-year terms.

But in the Senate, the term of office is 6 years. After the first 2 years, members must draw lots to determine which one-third must leave. Then members are appointed in accord with the number who left. After 4 years, those who drew lots the first time must draw lots again to determine which half of these must leave. Again members are appointed in accord with the number who left.

There are 225 senators. This is 75 percent of the number in the House of People's Representatives, which has 301 members.

One-third of the senators is 75 people.

Thus, on 22 April, 75 senators will draw lots and have to leave the senate. And another 75 people will have to be appointed so that there are 225 senators. However, those who have to leave have a chance to be reappointed.

And on 22 April, the Senate must elect a new president because the 2-year term has expired as stipulated in the constitution.

This means that we will have a new president of parliament because the president of the Senate serves as the president of parliament. The president of the House of People's Representatives serves as the vice president of parliament.

The present president of parliament is Air Chief Marshal Harin Hongaakun. He has served as president of parliament during three governments, holding the title of chairman of the National Administrative Reform Council, chairman of the National Legislative Council and president of parliament.

If Air Chief Marshal Harin Hongaakun does not draw a lot forcing him to leave [the Senate] or if he does draw this lot but is reappointed to the Senate and if he is reelected to serve as president of the Senate again, he will have held the position of president of parliament for four consecutive terms. This would be an unprecedented honor of which he could be very proud.

But if he draws a lot to leave and is not reappointed to the Senate or if he is reappointed but is not reelected as president of the Senate, it means that we will certainly have a new president of parliament.

I cannot guess who that would be. But I am sure that, at present, all the people concerned are talking and arguing about this.

I must talk about the Senate now because I have been thinking about the importance and role of the Senate during the period of an imperfect democracy and because I believe that the reason that our parliament has been able to exist for almost 2 years and looks as if it will continue to exist to the end of its term is because the Senate has kept it from falling.

If we look at the constitution and the temporary provisions, we can see that the Senate has real power and a real role in pointing out and setting the political direction of Thailand.

The first thing is that it has been stipulated that senators must be representatives of the masses just like the members of the House of People's Representatives even though they are appointed members. This is a principle never seen before.

Next is the stipulation that the Senate be the upper council and that the president of the Senate serve as the president of parliament. The president of the House of People's Representatives, who is elected by the people, must serve as the vice president of parliament.

Laws concerning security and the budget and royal decrees must be discussed and passed by the Senate and the House of People's Representatives.

The Senate must be allowed to take part in making decisions concerning motions to open debate on passing a vote of no confidence in the government, which determines whether or not a government will continue in office.

If the government loses on important resolutions in parliament or in the House of People's Representatives, it will give the government a reason for announcing the dissolution of parliament. But the government can dissolve only the House of People's Representatives; it cannot dissolve the Senate.

Furthermore, the House of People's Representatives cannot topple the government by itself, even if the government has a minority of votes. It must rely on the Senate as an important moving force. An example of this occurred during the administration of General Kriangsak Chamanan. His government always had a minority in the House but it could not do anything to General Kriangsak. But as soon as the Senate rejected him too, General Kriangsak had to resign.

The Senate is thus an important variable that can give rise to political changes and to a change of government.

Also, even though the Senate is not a political party, it is a political institution whose duties are very similar to those of a political party. In fact, it can be said that the Senate is the largest political party in Thailand today since it has 225 votes in parliament. In addition to this, the head of the party is the prime minister. Who can disagree with this?

This should be enough to confirm that the Senate, during this period of imperfect democracy, plays a large role and has great influence.

This role and influence are clearly political in nature. The Senate is actually the political power base of the government.

Thus, members of the Senate should not deny their political role, either openly or secretly.

I do not like to hear any senator say: "I am not a politician" or "I am a volunteer politician" because it is the same as the sayings "hate the chicken but eat the eggs, hate the eel but eat the soup." That is, it is saying that "I hate politics but I want a political position."

The present Senate can be compared to a precious jewel because besides playing a political role and having political power as discussed above, it is composed of knowledgeable, good quality and experienced people who have good intentions toward the country.

But concerning this precious jewel, whenever it is used by someone as an ornament, its usefulness declines to that level. But if [this jewel] is converted into money and used to build permanent structures or public places, it will be of great value to the people in general.

All the qualifications of those who form the Senate, regardless of whether it is their knowledge, good qualities, experience or good intentions toward the country, are things that we are trying to find and that we are calling for in political circles.

But unfortunately, the people who have these qualifications all refuse to participate and they dislike politics because they are afraid that they will be corrupted.

Thus, politics in our country stays in one place. It is rotten and will probably stay like this. And it will probably stay like this for a long time.

When the more than 200 highest-ranking people in the country who compose the Senate are not willing to participate openly in politics, how can we hope that real politicians and other people will come forward and help the country or clean up politics?

Do not be contemptuous of or speak ill of the politicians or MPs because, after all, they have been bold enough to openly announce that they will use their bare hands and dull knives to fell the trees no matter how difficult it is or how long it takes.

When those who have sharp axes are ready to participate in felling the trees, it will no longer be necessary to use those who are bare-handed and those who have only dull knives. These people will gradually vanish.

But there is just one thing, the time has come when everyone must use a sharp ax to really help fell the trees. People must not just use the axes to chase away all those who are working bare-handed and with dull knives and then put the axes away without felling the trees out of fear that the ax will chip.

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THAILAND

'DEMOCRATIC SOLDIERS' COUP POSSIBILITIES DISCUSSED

Bangkok SIAM RAT in Thai 24 Feb 81 p 7

[Thoughts From the News column by Prachop: "The Revolution of the Democratic Soldiers"]

[Text] The Monday, 23 February 1981, edition of the journal TAWAN MAI printed the 13th bulletin by the group of soldiers who call themselves the "Democratic Soldiers." The bulletin informed the people of [the group's] democratic revolution policy, which contains the following six major principles:

1. The dictatorship must be abolished and a democracy established. This has been divided into 13 subtopics. For example, the monarchy must be preserved under the constitution, knowledge about democracy must be promoted, democratic power must rest with the people, people must be made fully free, political stability must be created, a strong political party system must be created, the bureaucracy must be reformed to make it democratic and so on.
2. The national economic system must be developed. This has been subdivided into 10 subtopics.
3. The social policy has been divided into three subtopics. The interesting thing is that social guarantees will be implemented for all sides.
4. The national defense policy has been divided into three subtopics.
5. The foreign policy has been divided into six subtopics.
6. The cultural policy has been divided into five subtopics.

At the end of this bulletin, the democratic soldiers committee repeated that the democratic soldiers feel that these six principles form the correct national policy of the democratic revolution and that it is in accord with the situation and special characteristics of Thailand. The democratic soldiers are determined to see that this policy is fully implemented. They consider it their historical duty to lead the country and the people out of danger, to push for

progress toward the ideals of a democratic society, to maintain the prosperity of the country and the well-being of the people and to preserve Thailand forever.

It is known that "democratic soldiers," the authors of the above announcement, refers to a group of officers who have formed a military group called the "young turks." Most of these officers are on active duty, which means that they presently hold command positions in the army. This group of soldiers has openly announced its intentions. It has announced, step by step, that one of its important ideals is to promote a democratic form of government in the country and to oppose all forms of dictatorship. It is believed that this group of soldiers played a part in helping General Prem govern the country in accord with the democratic principles, or the democratic way, even though the present constitution is not really democratic.

Concerning the way of thinking about the democratic revolution of this group who took the name "democratic soldiers," it can be said that these are just the views of this group, which believes that if things are carried out in accord with these views, real democracy will be implemented in the country. While I believe that these views have arisen from good intentions toward the country, there are also some problems that I think must be discussed.

In particular, how can we know whether, or to what degree, the democratic revolution policy of the "democratic soldiers" is in harmony, or in line, with the needs of the people?

And how should things be carried out so that this policy achieves its goals?

I remember that a manager once debated the matter of a democratic revolution. I cannot remember where the debate was held or who took part but it seems like soldiers from this democratic soldiers group took part. After the debate was over, the conclusion was that the person most suited to be the leader of the democratic revolution was the head of the present government because he is the person whom the people support and trust the most, both for his honesty and for his sincerity toward the democratic system of government.

I am not denying that General Prem Tinsulanon is one of the few Thai prime ministers whom most of the people trust as an honest and uncorrupt person. But as for his sincerity toward the democratic system of government, some people may question this because General Prem is still a soldier.

Besides this, General Prem's entrance into politics or his holding the position of prime minister, even if it is thought that he took power constitutionally, since the present constitution is not a

democratic constitution -- even most of the young officers admit that it is only half democratic -- General Prem did not become prime minister in a democratic way, either in form or in substance.

However, General Prem revealed his intentions to the effect that, after he received the confidence of parliament and was entrusted by it to form a government, he would try to hold to the principles of democracy and use them as much as possible. This can be seen from his forming a government from the political parties whose policies have proven popular with the people many times and which formed a group in the House of People's Representatives. As for the political parties that did not join the government, even though they had members in parliament, most had just been elected for the first time and it was not certain how much support the policies of these political parties would really receive from the people.

Thus, even though the system of government presently in use in the country is not completely democratic, the head of the government has tried to govern and carry out his duties by holding to the principles of democracy. Even when he went to open a technical seminar on the new economic wave, problems and solutions at Thammasat University recently, he repeated that he would make the political and administrative systems more democratic. This has led to the belief that when the term of the present government or House of People's Representatives is over, the country's system of government may change and become more democratic. But all of this is probably just a dream of the people.

Concerning the fact that the "democratic soldiers" have expressed their firm intention of staging a democratic revolution and of carrying on things in accord with the announced policy in order to achieve success, I feel that the people, the citizens of the country, should be given a chance to take part in making the various decisions. Also, a way should be found to determine beforehand whether or not most of the people in the country agree with and support the democratic revolution policy of the "democratic soldiers." Otherwise, it cannot be called a democratic revolution. And if the democratic revolution is to succeed, the democratic soldiers who are the authors of the various policies mentioned above should leave the military, establish a political party and use their democratic revolution policy as the policy of their party. Members [of their party] should stand for election in order to see whether the people like and support them.

Since the "democratic soldiers" are not yet ready to do this but hold firmly to the ideal of having the country governed in a really democratic way in the future, I would like to help block those

proposals that would force General Prem to do things that violate the rules or principles of democracy, for example, the proposal to appoint soldiers to the position of director-general of the Police Department and to other positions of importance, which there are rumors about today. Such methods were popular during the period of the dictatorial governments prior to 14 October 1973. Thus, if there is to be a democratic revolution or if [people] are thinking about forming a democracy, why is it necessary to regress and again use an undemocratic system?

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CSO: 4207

THAILAND

INVOLUNTARY ASSIGNMENT OF CADETS TO SERVICE ACADEMIES CRITICIZED

Bangkok SIAM RAT in Thai 25 Feb 81 p 5

[Article by Charontham: "The Waste of Military Cadets Who Make a Mistake and Fail"]

[Text] Talking about the four military academies that most Thai boys dream about attending, the four prestigious institutions are the Chulachomklao Royal Military Academy, the Naval Academy, the Air Force Academy and the Police Academy.

To have a chance to attend one of these academies, the first thing is to graduate from M.S. 3 [lower secondary school] and then take an entrance test to attend a 2-year military prep school. Following this, students go on to one of the military academies. The students are allowed to apply to the academy of their choice. At the military prep schools, a committee is formed to discuss matters. It separates the students into groups by grades in accord with the standards set by the committee. However, people who are appointed to a particular group or service branch have to join that branch.

Because of these regulations, students who choose a particular branch are not always able to join the branch that they want to join. For example, some choose to attend the Chulachomklao Royal Military Academy but instead they are sent to the Air Force Academy. Thus, when people do not get to study at the military academy of their choice and they have to force themselves to study, they become bored and it sometimes reaches the point where they finally quit or have to leave since there is no way they can transfer to another branch.

Concerning this matter, I feel that the unit in charge or the Directorate of Education and Research should discuss this and try to find a way to have some flexibility. For example, after cadets at a particular academy have been compelled to attend an academy, for which they do not have the skills, for 1 year and it is apparent that they will not finish because they dislike it here, they should have a chance to transfer to a branch of their choice and repeat the courses at the new academy if it is felt that the courses at the old

academy do not match those at the academy to which the person has transferred. This would be like university students who transfer to a different faculty when they feel that they cannot finish and that they do not have talent [in a particular field].

As for cadets who are forced to continue studying even though they are not talented, besides this being harmful to the cadets since they may fail the examinations, it is also harmful to the government, which wastes money when a student fails to finish a program. I feel very sorry for those students who had to work very hard to overcome various obstacles before they could compete to study at the academies or before they could graduate from the military prep schools and who had to pass many kinds of tests concerning physical and mental abilities, discipline, diligence and patience and basic knowledge but whose futures are very bleak since they have to leave [the academies] just because fate forced them into an area they were not talented in and they were not able to continue their studies.

This is not the fault of these students, if the men responsible would just discuss this fairly.

I have met and talked with many cadets who did not complete their studies and who had to leave school for reasons which were not their fault. Concerning these students, if you look deeply into their hearts, you will see that they still dream about having a chance and somehow finding a way to return to the branch that they love and are talented in. This fills their minds but they have no chance.

The exception is the Police Academy, which provides opportunities for M.S. 5 [upper secondary school] graduates. Some people who love this branch apply to take the tests again in competition with those from the outside. This is the last hope or chance for those from the military prep schools. But this is a very faint hope.

For 1981-1982, the military prep schools have announced that they will not admit any more students for 2 years and that students will again be admitted in 1983. Students will be selected from those who have completed M 6 [upper secondary school, new system] in accord with the new 1-year [post-secondary school] curriculum and then continue their studies for 4 more years at academies, the names of which are in the process of being changed. But the thing that interested people still wonder about are the qualifications of the applicants. Will the schools only accept those who have graduated from M 6? Are they waiting for when the [first] students will finish M 6 based on the new curriculum, which will occur in 1983? If this is the case, it is unfair because those in M.S. 5 and cadets who failed in a branch will not have a chance.

I think that these students should be given a chance for the sake of fairness. And it would be good if the tests given were divided by branch in order to avoid the problem of people being placed in the wrong branch and failing as happens now. Everyone would apply to take the test for the branch in which they are skilled at the beginning. I do not understand why the military prep schools have curtailed admissions for 2 years. If they claim that they are waiting in order to set up a curriculum, it should not take that long since the instructors at the military academies are all very knowledgeable and skilled. Thus, it should not take that long.

[General] Prem, it is time that you reviewed this matter. You once had the kindness and generosity to allow the university students who had made a mistake and fled into the jungle for various reasons to return and continue their studies. This has been very beneficial for the country.

Will you now allow cadets who were assigned incorrectly and who had to leave a branch to return?

Among these cadets there may be one who would be an important force for the country in the future. Who knows?

These young people are [relying on] your kindness, waiting for you to give them a chance to be students again and study in the branch that they want and that they are skilled in. I do not feel that anything would be lost by giving these people a chance to study again or that this would be giving them any special privileges. These young people already have a direct educational background. Giving them a chance to complete their education will benefit the country's military forces, which will obtain efficient military and police officers who will form an important force in protecting the country in the future.

This is better than letting them go; it would be better to give them a chance to hear you say "come back again."

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MILITARY ACADEMY CLASSES' ROLE IN SUPPORT OF LEADERSHIP NOTED

Columnist Views Alliances

Bangkok BAN MUANG in Thai 21 Feb 81 p 4

[Nui Bangkhunthien column: "Activities In the Army"]

[Text] Political conflicts are growing more and more severe. This has caused unhappiness on all sides.

The people have placed their hopes with the military.

Without the military, it would be very difficult for someone to solve the problems. The military has been deeply involved in political activities for a long time. The military is the only group with an important role in setting regulations and, therefore, it cannot flee from its responsibilities.

And when speaking about the role of the military, it is necessary to understand the present situation. Being knowledgeable in order to use the knowledge to make decisions about the various problems is better than not being knowledgeable.

At a time such as today, making a wrong decision means that all sorts of problems and difficulties will follow.

Of the army, navy and air force, the army is the main service; the navy and air force are secondary. The nation's problems, both good and bad, stem from the fact that it is army personnel who are the important people.

Formerly, the army was under the command of the supreme commander and there was no division by [graduating] class. The supreme commander was the head of the military. Right or wrong, the soldiers under the command of the supreme commander maintained strict discipline.

There are frequently confusing reports about conflicts between those who have graduated from the Chulachomkiao Royal Military Academy.

News reports frequently appear in the newspapers about Class 5 and Class 7.

To date, a total of 11 classes have graduated from the Chulachomklao Royal Military Academy. Class 5 includes such well-known people as Major General Athit Kamlangek and Major General Han Lilanon, for example. As for Class 7, it includes well-known people who have been nicknamed the "young turks," such as Colonel Prachak Sawangchit, Colonel Manu Rupkhachon and Colonel Chamlong Sirimuong.

Classes 5 and 7 play a greater political role in the government of General Prem Tinsulanon than do any other class to graduate from the Chulachomklao Royal Military Academy. For example, Major General Athit Kamlangek helped gather public support for extending General Prem's term of office [as army commander in chief] 1 year. Colonel Chamlong Sirimuong is the unofficial spokesman for General Prem.

Eleven classes have graduated from the Chulachomklao Royal Military Academy but only two are well-known. Classes 1-6 recently held a reunion at the army conference hall. Classes 8-11 will hold their reunion in the near future.

The tasks of General Prem will become more and more heavy.

The primary duty of the military is to maintain the security of the nation. It is obviously disciplined and supervised. If the military is strong, the nation is strong.

All sides are watching the signs in the army with the feeling that they would like to see some tranquility and harmony. And it is hoped that the only thing that happens is a lack of agreement in views, which is normal among human beings.

The military is responsible for the people and the commanders are responsible for the military. In such a case, the problems rest with the commanders, particularly a single commander like General Prem Tinsulanon who holds three important positions: prime minister, minister of defense and the commander in chief of the army.

Class 5 Meets

Bangkok BAN MUANG in Thai 26 Feb 81 pp 1, 2

[Article: "Army Class 5 Keeps Its Eyes on Politics"]

[Text] At 1130 hours on 25 February, Lieutenant General Chalom Wisamon, the Deputy chairman of the Class 5 military academy [committee] and an officer formerly close to Field Marshal Thanom Kittikhachon, and the Class 5 military academy committee, which includes Major General Atsani Samuttharasen, the chief of the Army Special Services Department, Major General Yutthasak Khlongtruatrok,

the superintendent of the Chulachomklao Royal Military Academy, Major General Phaisan Rungsaeng, Major General Yongyut Ditthabanchong and Colonel Sawat Siriphon and many other military and police officers from the same class, took food, amusements, singers and musicians to the Bang Pu Rehabilitation Center in Samut Prakan to lift the spirits of the soldiers wounded in battle by creating a very joyful atmosphere for the soldiers. At around 1300 hours, the program came to an end and the members of "Class 5" went to the Bang Pu beach to chat about various problems.

Major General Atsani Samuttharasen told a reporter about the conflicts between the ministers belonging to the various political parties that form the government. Class 5, [members of which] hold powerful positions in the army, has moved to somehow solve these problems. Major General Atsani stated that "every day at noon, we meet to have lunch and to talk about this problem. But everything is up to the prime minister. Class 5 knows that, at present, the prime minister is in the process of trying to determine the facts. We must help with this too. We must find out what is what. When we have a chance, we will report to the prime minister."

The reporter asked his views on this situation and about whether or not such conflicts should be allowed to arise in the government at a time when many sides are calling on the people of the country to show unity. Major General Atsani stated that this is a normal matter. The government has been formed from several political parties. "We have seen many parties act like this. It is the same in many countries. We elect people and they fight just as if they were living in the same house together. It is up to the prime minister to solve this problem."

The reporter asked him how he felt about Class 5 constantly joining with the young turks in watching the political movements. The chief of the Army Special Services Department said that all soldiers, regardless of which class they were in, have similar views toward the country. At present, we cannot do anything. Concerning the situation around us, others want to swallow us. We cannot have divisions among ourselves. Most soldiers think like this.

Asked what the facts were concerning conflicts between some military classes that are presently becoming "well-known" in the army, Lieutenant General Chalom Wisamon stated that this may be a misunderstanding. Normally, soldiers love each other and they understand seniority. They accept the fact that different people advance at different rates. For example, not everyone in a class can advance with the same capabilities or rank. Since there are levels of capability, there should not be any thought about class or whether some classes are not important. It is not true that the prime minister has not made use [of all classes]. He is the commander and he has made use of everyone. He also stated that all

soldiers love the country. Some who are involved in tasks in various branches have given their views in accord with their duties. The soldiers also love democracy. We hold to the administrative principles desired by the people. We do not want to live under the rule of some other ideology. Thus, we should hold to what is right so that [things are done] in accord with the situation. We should take responsibility for society and the country. We should think of the nation's interests and unite in order to make our country more secure economically, socially, politically and militarily.

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NAVAL TASK FORCE FORMED TO SUPPRESS PIRACY

Kuala Lumpur BUSINESS TIMES in English 18 Feb 81 p 6

[Article by Thaung Myine in Songkhla]

[Text]

A NEW Thai navy task force has begun operation to suppress pirates preying on both Vietnamese "boat people" and fishermen in the Gulf of Thailand.

Soon after the headquarters of the anti-pirate task force was commissioned at Songkhla port earlier this month, a patrol gunboat and two heavily-armed planes took off on the first daily patrol.

The task force was raised with the help of the United States, which contributed a coast guard cutter, the two aircraft and US\$2 million in operational expenses for six months.

It will coordinate with other Thai naval units operating in the Gulf to keep watch over 18,000 square kilometres (6,950 square miles) of the Gulf waters. The area extending from Surat Thani province to the Malaysian border is where piracies have been frequent.

Rear-Admiral Wattanaphol Benhwong Na Ayuthaya, on taking over the task force command, said pirates' activities had increased in the Gulf and he feared they would continue to do so.

Investigations by the United Nations High Commissioner for Refugees (UNHCR) show that 121 of the 146 boats which left Vietnam and reached Thailand in the March-July period last year were intercepted in the Gulf by pirates who robbed, raped or killed their victims.

The UNCHR findings, based on interviews with the survivors, said 392 "boat people" were assaulted and robbed, 82 women and girls were raped and 21 others killed.

The pirates also attacked 71 of the 159 boats which arrived in neighbouring Malaysia. They raped 88 "boat people" and robbed 60 others.

The UNCHR report disclosed at an international refugee conference of donor countries held in Geneva last October was also made available to Thai authorities.

Thai Supreme Command Chief-of-Staff General Saiyud Rerdphol told reporters the performance of the task force would serve to refute charges by some countries that Thailand was not doing enough to fight the pirates attacking the "boat people."

General Saiyud also referred to complaints of refugee victims of robbery and rape that the pirates were Thais.

These charges could not be substantiated, he said. The pirates could be other nationalities.

But frequent complaints of pirate attacks on the "boat people" spurred the United States and Thailand in their negotiations for the setting up of the anti-pirate task force.

US Charge d'Affaires Burton Levin expressed Washington's satisfaction that the complex negotiations were concluded within three months and that two months later the Thai navy was able to open the task force base.

But he cautioned that the resources the force had at present would not solve the problem of piracy although they would give added security to both Vietnamese refugees and Thai fishermen.

Thai authorities have maintained that 18,000 big and small fishing vessels earning their living in the Gulf have also been victims of frequent piracies.

Admiral Wattanaphol said fishermen would be trained by the navy in basic techniques of navigation to elude pirates, and to use radio and other communication in case of trouble.

He said 94 selected fishermen were attending the first orientation course on how to deal with pirates, and another training course would follow soon.

US officials said they hoped the task force would be able to produce results and reduce cases of piracy.

Further US aid for the task force after US\$2 million ran out would depend on results, they said. — Reuter

REFUGEES REFUSING TO DEPART FOR RESETTLEMENT

Bangkok TAWAN SIAM in Thai 18 Feb 81 pp 1, 16

[Article: "Refugees Are Refusing to Go to Third Countries"]

[Text] Mr Damrong Sunthornsarathun, the undersecretary of the Ministry of Interior expressed his views on the reports that the quotas for sending refugees from the various camps to establish permanent homes in third countries have been reduced because refugees have refused to leave in accord with the wishes that they themselves have expressed. This has caused the countries that have agreed to accept them to become upset because they have arranged flights for them.

The undersecretary of the Ministry of Interior also stated that, sometimes, lists have been made stating that 200 people will be sent to a third country but when it is time for the refugees to leave, only 100 are willing to go. We have solved this problem by making reserve lists of 250 people in order to make up the difference.

Mr Damrong stated that refugees who refuse to leave in accord with their stated wishes will lose their rights by having their names placed at the end of the list of people waiting to go to third countries.

Furthermore, a report from the Office of the United Nations High Commissioner for Refugees has revealed that Canada's program to aid the refugees in establishing new homes can continue to be carried on efficiently and achieve good results. The Canadian people have provided good cooperation. It appears that at present more than 60,000 refugees from the various refugee centers in Asia have gone and established permanent homes in various parts of Canada from the island of New Foundland along the Atlantic coast to Victoria Island in British Columbia along the Pacific coast. Even in the North Pole region there are communities with many refugee families living there. The report also stated that to date approximately 20,000 Indochinese refugees have left Thailand and established homes in Canada.

The report stated that most of the refugees who have gone to live in Canada have jobs. Also, even though the climate and culture are different, these refugees have been able to adjust very well and they have not caused the Canadians any trouble at all.

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THAILAND

NORTHERN LAND SHORTAGE HAS SECURITY IMPLICATIONS

Bangkok SIAM RAT in Thai 28 Feb 81 pp 1, 12

[Article: "The King Has Suggested That a New Land System Be Established For the North"]

[Text] At the northern agricultural conference it was pointed out that the farmers in the plains and mountains have an average of less than 2 rai of land per person. It was suggested that the government will have to provide as much support as possible. In particular, the hill tribes problem affects security and it is a delicate problem.

Mr Anat Aphaphirom, the deputy minister of agriculture and cooperatives, has revealed the results of the recent northern agricultural conference. The three major issues at the conference were the problems of the farmers in the north, the way to solve the problems and plans of action that can be implemented immediately.

Mr Anat stated that peasant problems exist in both the plains and the mountain areas. The problems stem mainly from poverty because the landholdings of the farmers average less than 2 rai per person and this does not provide them with a sufficient income. The view at the conference was that the state must step in and solve the problems in this backward region by increasing production efficiency in each area. The government must conduct detailed surveys in order to find ways to provide help. At the same time, it must expand the farming area by trying to take back the forests that have been invaded and giving them to the farmers to work.

Mr Anat further stated that, concerning the agricultural problems in the plains and mountains, the conference felt that the headwater areas must be preserved. At the same time, great attention must be given to the security problem that may arise with the hill tribes. This is a very delicate and complex problem. Concerning this matter, the Ministry of Agriculture and Cooperatives must have a definite agricultural policy for the plains and mountain areas. "Concerning all the problems, the conference felt that neutral policies must be formulated in order to develop agriculture correctly and that they must be presented to the various ministries for discussion."

Mr Anat also stated that, concerning this, the king suggested to the conference that newly designed villages be built and that farmland be provided for farming activities in the mountains by providing farming rights called S.T.K. instead of providing ownership rights in farming areas or N.S.J. At the same time, three types of trees -- trees for lumber, trees for firewood and fruit trees -- should be planted. As for establishing new sectors to carry on things, sectors that overlap older sectors should not be established. "The Ministry of Agriculture and Cooperatives will present all of these matters to the cabinet for discussion."

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LANDLESS FARMERS ARE MOST NUMEROUS IN CENTRAL REGION

Bangkok SIAM RAT in Thai 18 Feb 81 p 2

[Article: "The Central Region Has a Serious Land Problem; There Are 500,000 Landless Agricultural Households In the Country"]

[Text] The Department of Land Development has pointed out that the problem of landless farmers is most serious in the central provinces and in the upper and lower northern region. The World Bank estimates that the number of landless farmers throughout Thailand reaches at least 500,000 families.

Based on a survey conducted by the Department of Land Development between 1974 and 1977, it appears that landless farmers who must work as hired laborers in the agricultural sector are most numerous in the central region. The five provinces with the greatest number of such farmers are Phra Nakhon Si Ayutthaya, where 37.5 percent of the agricultural households [are landless]; Samut Prakan, 30.96 percent; Nakhon Naiyok, 25.48 percent; Samut Songkhram, 24.30 percent; and Ang Thong, 24.26 percent. And based on estimates made by experts from the World Bank, it is believed that the total number of landless farmers in all regions of the country reaches at least 500,000 households.

Besides the problem of a lack of land, the problem of renting land is also rather serious in the central region. A survey conducted by the Agricultural Economics Division, Office of the Undersecretary of State, Ministry of Agriculture and Cooperatives, found that the problem of renting land is becoming rather serious in the central region. That is, 41.31 percent of the agricultural households here are renters. In the north, only 26.71 percent are renters. In the south, 17.48 percent are renters and in the northeast only 8.68 percent of the agricultural households are renters.

Other data from the survey conducted by the Department of Land Development in 22 provinces, mainly in the central region but including some provinces in the north, provide a broad picture. The data show that among the agricultural families surveyed, an average of 56.23 percent own their own land, 21.71 percent rent land and farm all of it and only 6.35 percent rent land and farm only part of it.

As for the total number of agricultural households that rent land, the Ministry of Agriculture and Cooperatives estimates that there are at least 1 million households.

MORE TROUBLE WITH GAS LINE BREAKS NOTED

Bangkok BAN MUANG in Thai 24 Feb 81 pp 1, 16

[Article: "The Gas Pipeline Has Problems Again"]

[text] The Petroleum Authority of Thailand has ordered the payment of 160 million baht. The problems in constructing the pipeline in poor soil between Bang Pakong-Bang Phli and south Samrong cannot be solved.

Yesterday, the 23rd, there was a report that Mr Damrat Thanachanan, a member of the employment inspection committee for construction of the natural gas land pipeline, sent a letter to Mr Thongchat Hongladarom, the head of the Petroleum Authority of Thailand (PAT), proposing that a committee be established to investigate the employment inspection committee, the chairman of which is Mr Aphisit Ruchikietkamchon. The reason he gave was that all five committee members had approved the hiring [of people] six times. But the seventh time, four of the members approved the hiring but he felt that things had not been done correctly and, therefore, he was against giving approval. He told this to the chairman of the committee and the director of the project and raised the matter at a conference on 16 February that was chaired by Mr Wisit Tansatcha.

Mr Damrat stated that the views of the five committeemen differ. Mr Aphisit Ruchikietkamchon, who is the head of the construction division, feels that the Chino-Thai Company did things in accord with the specifications for laying and covering the pipeline. But the pipeline has floated to the surface because the density of the mud is higher than the density of the pipeline that was designed. Some of the committee members knew about this but still approved the work. He and Mr Suphon Thapthimcharun, another committee member, went and checked the depth of the pipeline at the construction sites and found that the pipe had not been layed or covered in accord with the specifications stipulated in the contract. The stipulated depth was 100 to 150 centimeters but at the 50 points checked, it was found that the average depth was only about 40 to 50 centimeters. And in some places, no earth at all had been placed over the pipe because the contractors had not laid the pipeline in accord with the specifications in areas where the pipeline was laid over holes.

Thus, for the good of the country, the head of the PAT has been asked to form a committee to investigate the five members of the employment inspection committee and the land pipeline contracting company, the Fluor Company, which is providing advice and overseeing the construction work, the PAT officials who are in charge of overseeing the construction work and the companies serving as advisors in order to determine whether or not they are carrying out the work honestly and to check the emplacement of the pipeline along the entire length of the pipeline.

Concerning this matter, Dr Thongchat Hongladarom, the head of the Petroleum Authority of Thailand, told the newspaper BAN MUANG that yesterday afternoon (the 23rd), the Petroleum Authority of Thailand hired an advisory engineering company to oversee the work. If the contracting companies do not do things in accord with the specifications, this will have to be changed to ensure that the advisory companies, the officials and the contractors do not engage in corruption. As for some of the things that the employment inspection committee reported as not being in accord with the specifications, orders have already been given to correct them. At present things have not been completed and it is not felt that there is anything to be alarmed about since the Petroleum Authority of Thailand can, in accord with the guarantees in the contracts, fine these companies if they do not do things in accord with the contracts.

Concerning the members of the employment inspection committee who did not approve the work, the head of the Petroleum Authority of Thailand said that they acted correctly. Money will not be paid for things that are not done in accord with the specifications. The contractors must correct these things first. "This is not a major problem. When construction is carried on on this scale, there are bound to be some flaws" said Dr Thongchat. As for the pipeline not being laid and covered in accord with the contracts, Mr Prathin Phattanaphorn, the deputy head of the Petroleum Authority of Thailand and the person in charge of this, has not yet filed a report and, therefore, an investigation committee should not yet be formed. The facts must first be clearly determined. "If officials are doing a good job it is not proper to form an investigation committee in order to look for mistakes. The officials will lose their morale and the work will deteriorate.

Dr Thongchat also said that the mistakes may be the fault of the advisory and contracting companies. We must wait until deputy head Prathin makes his report. But even if changes are made concerning the construction of the pipeline, the gas pipeline construction project must definitely be completed before 15 September 1981. Wherever the pipe has not been laid and buried in accord with the specifications, it must be covered better. But experts must be found first to ensure that nothing is demolished and then rebuilt. If it is found that the contractors are at fault, they must correct

things. If we are at fault, the advisory companies must take responsibility in accord with the contracts. The only thing asked is that the work be allowed to proceed and that it not be obstructed.

Concerning the question of what will be done since the company that contracted to lay the land pipeline has not laid pipe from Bang Prakong and Bang Phli districts to south Samrong, which is an area where the land is bad, Dr Thongchat replied that at a committee meeting of the Petroleum Authority of Thailand, permission was given to spend 160 million of the more than 500 million baht still remaining in the project budget to construct a half-circular concrete encasement over the pipe in the areas where the pipe cannot be buried. This work is now underway. The reason that the pipe could not be laid is that the designers wanted the Petroleum Authority of Thailand to save money and the pipe covering was not thick enough.

The reporter also asked what was happening with regard to the broken sea pipeline. The head of the Petroleum Authority of Thailand said that at present the contracting company has sent the pipe to the United States for technical tests. At the same time, they are repairing the breaks and it is expected that this will be completed this week. There should not be any problems. When the results of the tests are known, we will know whether those who made the pipe or those who laid the pipe are at fault. If it is the contractors who are at fault, they will make the repairs free of charge. If it is the designers who are at fault, the Petroleum Authority of Thailand will fine them in accord with the contract.

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